
CANTOR FUTURES EXCHANGE, L.P.

**DOMESTIC BOX OFFICE RECEIPTS:
CONTRACT RULES**

TABLE OF CONTENTS

	Page
PREAMBLE	1
CHAPTER I DEFINITIONS	2
I-1. Certain Defined Terms.....	2
I-2. References to Times of Day.....	4
CHAPTER II DBOR CONTRACT SPECIFICATIONS	5
II-1. Obligations of Parties to a DBOR Contract; Settlement Method; Settlement Date	5
II-2. DBOR Contract Size.....	5
II-3. Symbols.....	5
II-4. Quotation Description; Minimum Increment.....	5
II-5. Reportable Limits.....	5
II-6. Speculative Position Limits; Hedge Exemptions.....	6
II-7. DBOR Contract Listing Standards.....	6
II-8. New DBOR Contract Listings	7
II-9. Block Trading	7
CHAPTER III PRE-OPENING AUCTION	8
III-1. General.....	8
III-2. Bids and Offers	8
III-3. Execution of the Pre-Opening Auction.....	9
III-4. Pricing.....	9
III-5. Post-Auction Contract Allocations; Cancelled Orders; Announcements	10
CHAPTER IV TRADING AND SETTLEMENT.....	11
IV-1. Weekly Report; Daily Reports.....	11
IV-2. Continuous Trading; First Trading Day; Last Trading Day	11
IV-3. Trading Hours	12
IV-4. Daily Settlement.....	12
IV-5. Daily Settlement Price Determination	12
IV-6. Price Limits.....	12
IV-7. Acceptable Orders.....	13
IV-8. Point of Trade Real Time Credit Checking	13
IV-9. Final Settlement Price; Final Settlement.....	14
IV-10. Non-Qualifying Releases	14
IV-11. Delays in Release Date	14
IV-12. Prohibition on Trading on Objective, Material Non-Public Information	14
CHAPTER V MARGIN REQUIREMENTS	16
V-1. Original Margin Requirements	16
V-2. Variation Margin Requirements	16
V-3. Margin Eligible Assets.....	17

PREAMBLE

These rules (the “DBOR Contract Rules”) will govern the trading on the Cantor Futures Exchange, L.P. (the “Exchange”) and the clearing by the Cantor Clearinghouse, L.P. (the “Clearinghouse”) of the DBOR Contracts described herein. Reference is made herein to the Rules of the Exchange and the Rules of the Clearinghouse. These DBOR Contract Rules are established pursuant to and constitute “Contract Rules” under Rule I-5 of the Rules of the Exchange and Rule I-7 of the Rules of the Clearinghouse. As such, they supplement the Rules of the Exchange and the Rules of the Clearinghouse, as applicable. Any conflicts between the Rules of the Exchange or the Rules of the Clearinghouse and these DBOR Contract Rules with respect to the trading or clearing of DBOR Contracts, as applicable, will be resolved in favor of these DBOR Contract Rules. Capitalized terms used but not defined herein have the meanings ascribed to them in the Rules of the Exchange or the Rules of the Clearinghouse, as applicable.

CHAPTER I DEFINITIONS

I-1. Certain Defined Terms

“**DBOR**” means, with respect to any film title that is the subject of a DBOR Contract, the total gross domestic box office receipts in the United States and Canada in U.S. dollars as compiled by Rentrak Theatrical and/or Nielsen EDI and published in Variety Magazine (or such other publicly available source or sources as may be designated by the Exchange from time to time).

“**DBOR Contract**” has the meaning set forth in Rule II-1(a).

“**DBOR Contract Rules**” has the meaning set forth in the Preamble.

“**End of Trading**” means, with respect to DBOR Contracts, 5:00 P.M on each Trading Day or such other time as the Exchange may from time to time prescribe.

“**Equilibrium Price**” means the “fair market price” of a DBOR Contract as of the conclusion of the Pre-Opening Auction, determined in accordance with the application of the Exchange's proprietary pricing algorithm, as described in Rule III-4, to the Master Order Book maintained by the Exchange, containing the bids and offers submitted in the relevant Pre-Opening Auction conducted with respect to such DBOR Contract.

“**Exchange Calendar**” means the weekly calendar maintained and distributed by the Exchange containing the next 26 weeks’ expected DBOR Contract listings, including (i) the film titles and (ii) the expected release dates.

“**Final Settlement Period**” means the period beginning at 12:01 A.M. on the Tuesday following the designation by the Exchange of a DBOR Contract as a New Release and ending on (i) the fourth subsequent Sunday, or (ii) on the Monday following the fourth subsequent Sunday only if such Monday is any of Martin Luther King Day, President’s Day, Memorial Day, the 4th of July or Labor Day in the United States.

“**Final Settlement Price**” means the final settlement price of a DBOR Contract calculated after its Final Settlement Period.

“**First Trading Day**” means the first Trading Day on which the relevant DBOR Contract trades on the Exchange.

“**In Release**” means the designation applied by the Exchange to a DBOR Contract during the period over which the DBOR of the underlying film title is measured for the purpose of determining the Final Settlement Price of such DBOR Contract.

“**Last Trading Day**” means the last Trading Day on which the relevant DBOR Contract trades on the Exchange before settlement.

“**Master Order Book**” means the book maintained by the Exchange containing all bids and offers on DBOR Contracts entered in the Pre-Opening Auction or continuous trading market with respect to a DBOR Contract.

“**Matched Trade**” has the meaning set forth in Rule IV-8.

“**Material Non-Public Information**” means information that has not yet been disseminated in a manner that makes it generally available or accessible to the public, through news media, websites or otherwise, and that relates to (i) changes in the scheduled release date of the relevant film; (ii) projections of the number of theaters in which the film will be shown; or (iii) actual box office receipt statistics once a film has been released.

“**New Release**” means the designation applied by the Exchange to a DBOR Contract on the Monday before its underlying film title is first entering its Final Settlement Period.

“**Nielsen EDI**” means Nielsen EDI, a service of Nielsen Entertainment and part of VNU Media Measurement Information.

“**No Market**” means the designation applied by the Exchange to DBOR Contracts that receive no bids and no offers during the Pre-Opening Auction.

“**Non-Qualifying Release**” means the designation applied by the Exchange to a DBOR Contract when its underlying film title is withdrawn from distribution or has had its release date indefinitely delayed.

“**Original Margin**” means the amount of Margin Eligible Assets required to be on deposit with the Clearinghouse pursuant to Rule V-1(a).

“**Participant**” shall mean any Person that has been granted, and continues to have (i) Trading Privileges under the Rules of the Exchange and (ii) Clearing Privileges through the Clearinghouse.

“**Pre-Opening Auction**” means the two-way, single-price Dutch (i.e. Vickrey) auction conducted by the Exchange on the First Trading Day with respect to a DBOR Contract between 9:00 and 9:30 A.M., for the purpose of determining the Equilibrium Price with respect to the applicable DBOR Contract.

“**Pre-Release**” means the designation applied by the Exchange to a DBOR Contract with respect to which the underlying film title is in such limited distribution or audience testing that it does not yet satisfy the criteria to be considered a New Release. Accordingly, any DBOR with respect to the relevant film title during the period when the film is designated “Pre-Release” will not be considered in determining the Final Settlement Price of the relevant DBOR Contract.

“**Rentrak Theatrical**” means Rentrak Theatrical, a unit of the Rentrak Corporation.

“Weekly Report” has the meaning set forth in Rule IV-1(a).

“Wide Release” means a film title that, as of the relevant time of determination, is being shown in not less than the number of theaters in North America that has been designated by the Exchange as sufficient to constitute a Wide Release.

I-2. References to Times of Day

All times of day referenced in these DBOR Contract Rules refer to the local time prevailing in The City of New York, New York, unless otherwise expressly set forth in the relevant provision.

CHAPTER II DBOR CONTRACT SPECIFICATIONS

II-1. Obligations of Parties to a DBOR Contract; Settlement Method; Settlement Date

(a) Pursuant to each DBOR Contract entered into through the Exchange, the seller agrees to sell to the purchaser, and the purchaser agrees to purchase from the seller, a specified portion of an identified film title's DBOR, as measured by the sum of the daily box office receipts in the U.S. and Canada, in accordance with these Rules, during the first four weeks after the film title's initial release (such contract a "DBOR Contract").

(b) Each DBOR Contract will be settled exclusively by cash settlement.

(c) Each DBOR Contract will be listed for one, and only one, cash settlement date.

II-2. DBOR Contract Size

The unit size of each DBOR Contract will be the aggregate DBOR during the Final Settlement Period for the relevant underlying film title, divided by the contract divisor of 1,000,000. Therefore, each DBOR Contract will represent 1/1,000,000th of the aggregate DBOR during the Final Settlement Period; a \$1,000,000 change in revenues will cause a \$1.00 change in the value of a Contract. The method of determining the Final Settlement Price is further described in Rule IV-9(a).

II-3. Symbols

Each DBOR Contract will be assigned a unique six-character ("A" to "Z", "0" to "9" or space) ticker symbol representing the film title by the contract terms governing that DBOR Contract and pursuant to these DBOR Contract Rules.

II-4. Quotation Description; Minimum Increment

(a) 1.0 point will equal \$1 million of DBOR such that a film title with four week DBOR of \$250,000,000 will be quoted as 250.0.

(b) The minimum increment of a DBOR Contract quotation is 0.1, representing the equivalent of \$100,000 of DBOR.

II-5. Reportable Limits

A position of 1,000 DBOR Contracts constitutes a reportable position.

II-6. Speculative Position Limits; Hedge Exemptions

(a) Subject to any available hedge exemptions (discussed in Rule II-6(c) below), an Exchange Participant will not be permitted to hold a net long or net short position in any DBOR Contract that exceeds 10,000 DBOR Contracts.

(b) In determining compliance with the speculative position limits, all positions in DBOR Contracts under common control (as determined by the Exchange), shall be aggregated. In addition, the Exchange may determine that positions in different DBOR Contracts should be aggregated (and that such aggregated Contracts should be subject to different limits), based upon the number of titles released by a single distributor, general market conditions or other considerations deemed relevant to the Exchange.

(c) Entities that are engaged in hedging activities through the use of short positions in DBOR Contracts, and Market Makers, may be granted hedge exemptions that exceed the short side speculative position limits by application to the Exchange; provided, however, that no short side hedge exemptions will be granted that would permit sale of more than 30% of the underlying position on which such hedge exemption is based and provided further that under no circumstances shall any hedge exemption be granted that would permit a Participant to hold a position exceeding 300,000 DBOR Contracts. Commercial entities eligible for short side hedge exemptions include (but are not necessarily limited to) film studios, film funds or other investors in films. Participants that are engaged in hedging activities through the use of long positions in DBOR Contracts, and Market Makers, may be granted hedge exemptions that exceed the long side speculative position limits by application to the Exchange. Any application for hedge exemptions made under this Rule shall include by any information or supporting material prescribed or reasonably requested by the Exchange, and shall include such facts as may be necessary to demonstrate the applicant's need to use DBOR Contracts for hedging purposes.

II-7. DBOR Contract Listing Standards

A film title will be listed subject to the criteria established by the Exchange in its reasonable judgment, taking into account the following factors, among any others deemed relevant by the Exchange:

- (i) whether there is sufficient economic interest in the specific film title to establish and sustain a market in DBOR Contracts on the film;
- (ii) the stage of the film title's production process;
- (iii) whether there is an anticipated release date that is at least one and no more than twelve months forward;
- (iv) designation by Rentrak Theatrical or Nielsen EDI (or another publicly available source designated by the Exchange) that such film title is projected to be a Wide Release;

(v) a reasonable expectation that the film title will have a total gross DBOR during the Final Settlement Period of at least \$30,000,000; and

(vi) any other criteria that the Exchange determines are relevant to a film title's eligibility.

The Exchange will be responsible for monitoring listing criteria and adjusting the contracts to be listed if these criteria cannot reasonably be met before the First Trading Day. All such criteria will be evaluated on a reasonable estimated basis since actual data may not be available until a film title is released.

II-8. New DBOR Contract Listings

The Exchange Calendar will generally list new DBOR Contracts approximately six months in advance of the First Trading Day and will include the film title and the expected First Trading Day. Typically, one new contract listing will occur weekly, with the First Trading Day of a DBOR Contract occurring on a Tuesday, except if such Tuesday is any of (i) December 25, (ii) January 1 or (iii) July 4. In the event that any such date falls on a Tuesday, the Exchange will publish modified schedules for the First Trading Day. The time from the First Trading Day through the Final Settlement Period for each DBOR Contract will be approximately seven months; this includes approximately six months of trading before the underlying film title is released to theaters followed by the Final Settlement Period.

II-9. Block Trading

(a) Block Trades of DBOR Contracts will be permitted to the extent permitted by the Rules of the Exchange and subject to limits imposed by Rule II-9(b).

(b) Block Trades of DBOR Contracts will be limited to trades of 1,000 Contracts or such other limit as may be determined by the Exchange from time to time.

CHAPTER III PRE-OPENING AUCTION

III-1. General

The trading of a particular DBOR Contract on the Exchange will be preceded by a Pre-Opening Auction, which will be conducted in accordance with these DBOR Contract Rules and will be used to determine the opening price of such Contract on the First Trading Day. The Pre-Opening Auction will be a two-way, single-price Dutch (i.e. Vikery) auction conducted by the Exchange commencing at 9:00 A.M. on the First Trading Day and closing at 9:30 A.M. on the First Trading Day, as described in Rule III-3(a) below. At the close of the Pre-Opening Auction, the Exchange will apply its proprietary pricing algorithm, as described in Rule III-4 below, to the bids and offers submitted during the seven days preceding the Pre-Opening Auction to determine the Equilibrium Price at which trading in the relevant DBOR Contract will commence on the First Trading Day. Information regarding the submission of bids and offers relating to the Pre-Opening Auction will be posted on the Exchange's website beginning at least seven days prior to the First Trading Day.

III-2. Bids and Offers

(a) The Pre-Opening Auction will be open to all Participants and Participants may submit either offers or bids for DBOR Contracts during the seven day period preceding the Pre-Opening Auction.

(b) All entries must include the identity of the Participant, intention to bid or offer, quantity, a price limit and whether any unfilled portion of the order will be carried into continuous DBOR Contract trading on the Exchange commencing at 9:30 A.M. on the First Trading Day.

(i) The minimum quantity order in the Pre-Opening Auction is one DBOR Contract.

(ii) Market Orders and bids or offers below the DBOR Contract listing minimums (see Rule II-7(v)) will not be accepted.

(iii) Good-Until-Cancelled Orders will remain in the Exchange's Master Order Book and will be available for execution after the close of the Pre-Opening Auction, subject to their original price/time priority.

(iv) Bids and offers received by the Exchange may be cancelled by Participants prior to the execution of the Pre-Opening Auction, which shall be 9:00 A.M. on the First Trading Day.

(c) The Exchange will collect all offers and bids in a Master Order Book that will be maintained by the Exchange but will not be available to Participants.

(d) At 6:00 P.M. on each Trading Day, the Exchange will publish volume, open interest and an indicative equilibrium price with respect to each DBOR Contract for which bids and offers are being accepted in anticipation of a Pre-Opening Auction, based on the orders entered up to that time.

III-3. Execution of the Pre-Opening Auction

(a) The Exchange will cease accepting bids and offers (and the cancellation of bids and offers pursuant to Rule III-2(b)(iv)) in the Pre-Opening Auction at 9:00 A.M. on the First Trading Day and the Pre-Opening Auction will officially close at 9:30 A.M. on the First Trading Day.

(b) At 9:00 A.M. on the First Trading Day, bids and offers submitted in the seven-day period prior to the Pre-Opening Auction will become binding on Participants. At that time, the Clearinghouse will deduct Original Margin, as if the Participant's orders were filled in their entirety, from each Participant's account. Original Margin rates for the Pre-Opening Auction will be equal to 100% of the bid price and 50% of the offer price. Failure to have sufficient funds on deposit with and available to the Clearinghouse will cause the exchange to cancel bids and/or offers in the order of their potential margin usage (i.e. from highest margin usage to lowest margin usage) until the required margin is less than or equal to the Participant's available funds.

(c) Prior to closing the Pre-Opening Auction, the Exchange will determine, based on its Master Order Book and information available to it regarding bids and offers and activities of Participants, whether any bids or offers submitted in the seven-day period prior to such Pre-Opening Auction may potentially be part of a manipulation or attempted manipulation of the relevant DBOR Contract, or may otherwise be in violation of Exchange Rules. In making this determination, the Exchange will consider and examine, among other things, any large quantities that the Exchange determines to be inappropriate, or patterns of orders that might be considered disruptive to the auction process. The Exchange may request, and Participants shall provide, any additional information or documentation reasonably requested by the Exchange in connection with its consideration of these issues. The Exchange shall have the authority to reject or cancel any bids or offers that it determines to be part of a manipulation or attempted manipulation, or that are otherwise not in accordance with the Rules of the Exchange, including these DBOR Contract Rules.

III-4. Pricing

(a) Between 9:00 and 9:30 AM on the First Trading Day, the Exchange will certify the Master Order Book with respect to each auction. The certification of any order with respect to an auction will mean that such order is valid and binding and eligible to participate in the auction.

(b) If zero contracts are matched and no bids and no offers are received, then the Exchange will deem the Pre-Opening Auction "No Market" and there will be no Equilibrium Price. Under such circumstances, the Exchange will establish the opening trading price for the First Trading Day, and the margin rates and price limits for trading on the Exchange, with

respect to such DBOR Contract, in its reasonable judgment taking into account such factors and considerations as it deems appropriate.

(c) If zero contracts are matched and there are orders on only one side of the market (bid or offer), then the Equilibrium Price will be equal to the best price on that side (highest bid or lowest offer).

(d) If zero contracts are matched and there are orders on both sides of the market (bid and offer) then the Equilibrium Price will be equal to the midpoint of the best unmatched bid and offer prices.

(e) If contracts are matched and the last interim equilibrium price lies between any remaining best unmatched bids and offers, then the Equilibrium Price will be equal to the last interim equilibrium price at which a contract was matched.

(f) If contracts are matched and the last interim equilibrium price lies below the remaining best unmatched bid or above the remaining best unmatched offer, then the Equilibrium Price is set equal to the corresponding best unmatched bid or offer.

(g) Immediately following its certification of the Master Order Book, the Exchange will determine the Equilibrium Price, based on the proprietary pricing algorithm described in Rules III-4(b) through (f) above, as well as the total volume and open interest of DBOR Contracts that traded in the Pre-Opening Auction.

III-5. Post-Auction Contract Allocations; Cancelled Orders; Announcements

(a) After the completion of the Pre-Opening Auction, the Exchange will allocate the matched DBOR Contracts among Participants that submitted bids and offers, strictly in accordance with a system of price and time priority. All matched DBOR Contracts will be allocated to Participants at the Equilibrium Price, irrespective of the bid price or offer price submitted with the order. Quantities will be allocated to Participants at the Equilibrium Price in accordance with the time priority of their orders.

(b) All unmatched auction bids and offers will be cancelled unless such orders were Good-Until-Cancelled Orders. Participants whose unmatched orders are cancelled will have any Original Margin amounts taken by the Clearinghouse in connection with the auction orders returned to such Participants.

(c) After the allocations of DBOR Contracts are complete, each Exchange Participant who participated in the Pre-Opening Auction will be notified of the Equilibrium Price, the volume and open interest of DBOR Contracts cleared and the status of their orders (e.g., "Filled", "Cancelled", "Held Over for Continuous Trading"). Additionally, the Exchange will publicly announce the auction results to its Participants and the news media via e-mail and the Exchange's website.

CHAPTER IV TRADING AND SETTLEMENT

IV-1. Weekly Report; Daily Reports

(a) The Exchange will distribute a weekly report every Monday at 9:00 P.M. to all Participants and Authorized Traders containing the following information:

- (i) the Exchange Calendar;
- (ii) a list of New Release DBOR Contracts;
- (iii) a list of In Release DBOR Contracts (including their respective DBOR totals to date);
- (iv) a list of Pre-Release DBOR Contracts;
- (v) any Non-Qualifying Release DBOR Contracts;
- (vi) any changes to the Exchange Calendar pertaining to the listing of DBOR Contracts;
- (vii) publicly available material information about any DBOR Contract's underlying film title; and
- (viii) any other relevant information the Exchange may include from time to time or on a regular basis (such report the "Weekly Report").

The Weekly Report and the Exchange Calendar will both be published on the Exchange's website.

(b) The Exchange will post on its website daily reports on volume, open interest and Settlement Prices by 6:00 P.M. on each Trading Day.

IV-2. Continuous Trading; First Trading Day; Last Trading Day

(a) The Exchange's DBOR Contract market (excluding the Pre-Opening Auction) is a continuous (seven days a week, 24 hours each day), first-in first-out, two-way, limit order book, as described in Rule IV-3 below. Orders will be accepted in price/time priority effective 9:30 A.M. on the First Trading Day. Continuous trading of a DBOR Contract in this manner commences immediately following the close of its Pre-Opening Auction at 9:30 A.M. on the First Trading Day and terminates at the End of Trading on the Last Trading Day.

(b) The First Trading Day of a DBOR Contract will be determined by the Exchange and will be a Tuesday, as described in Rule II-8 above.

(c) The Last Trading Day of a DBOR Contract will be determined by the Exchange and will be the Tuesday following the close of the Final Settlement Period.

IV-3. Trading Hours

A DBOR Contract may be traded at any time seven days a week, 24 hours each day (with the exception of emergency cessations of trading). Trading will be suspended during periods the Exchange schedules for routine maintenance and during any pre-announced periods of non-routine maintenance.

IV-4. Daily Settlement

All end of day processes, including Settlement Price determination (see Rule IV-5), volume and open interest calculations and other daily business results, shall be effective as of the End of Trading on each Trading Day.

IV-5. Daily Settlement Price Determination

(a) The daily Settlement Price of each DBOR Contract, for purposes of determining the amount of margin due on open positions, will be established by the Exchange as soon as practicable after the End of Trading on each Trading Day as described in Rule IV-5(b)-(d).

(b) Subject to the provisions of Rule IV-5(c) and Rule IV-5(d), the Settlement Price of a DBOR Contract shall equal the last reported trading price of such DBOR Contract on the applicable Trading Day; provided, however, that, as of the End of Trading, if (i) the best bid is above or (ii) the best offer is below the last reported trading price of such DBOR Contract on such Trading Day, the Settlement Price shall be equal to such bid or offer price.

(c) In the case of the First Trading Day of any DBOR Contract, the Settlement Price, for the purpose of commencing continuous trading on the Exchange at the conclusion of the Pre-Opening Auction, shall equal the Equilibrium Price of such DBOR Contract.

(d) If there were no trades of such DBOR Contracts on such Trading Day, then the Settlement Price shall equal the Settlement Price established at the End of Trading of the prior Trading Day.

IV-6. Price Limits

(a) DBOR Contracts are subject to trading price limits, which will be determined as soon as practicable following the End of Trading each Trading Day based on the then-applicable Settlement Price. A DBOR Contract will not be allowed to trade beyond the price limit until after new price limits are established following the End of Trading on the next succeeding Trading Day.

(b) On each Trading Day, the amount by which the price of a DBOR Contract may increase or decrease is limited to an amount equal to 10% of its prior day's Settlement Price rounded to the next highest 0.5, which in no event will be less than 2.5, provided that the

Exchange shall have the authority, under extraordinary market circumstances, to set daily price limits at different levels if, in the reasonable judgment of the Exchange, such action is warranted for the protection of the market and Participants.

IV-7. Acceptable Orders

(a) The following types of orders for transactions in DBOR Contracts may be entered into the Exchange:

- (i) Limit Orders;
- (ii) Market Orders; and
- (iii) Good-Until-Cancelled Orders.

(b) For each order type listed in Rule IV-7(a), orders will be executed in part if only a portion of the opposite order is available for matching.

IV-8. Point of Trade Real Time Credit Checking

When a bid and offer for DBOR Contracts are matched on the trading facilities of the Exchange (each such occurrence, a "Matched Trade"), the Clearinghouse shall undertake an immediate credit check prior to such matched trade being confirmed to any of the purchaser, the seller or the Clearinghouse. The credit check procedures shall be as follows.

(i) For liquidating orders, or any portion of a matched trade that represents a liquidating quantity, the credit check shall "PASS".

(ii) For the establishment of new positions or an increase in size of existing positions, or any portion of a liquidating trade that would create a new position or add to an existing position, the credit check shall PASS if and only if the funds immediately available in the Participant's Clearing Account are greater than or equal to the Original Margin required to establish the new position or increase an existing position.

(iii) The credit check will "FAIL" if the funds immediately available in the Participant's Clearing Account are less than the Original Margin required to establish the new position or increase an existing position. In such case, the size of the matched trade shall be reduced such that the minimum quantity of DBOR Contracts that would PASS the credit check, if any, based on the level of Original Margin in the Participant's Clearing Account, will be matched. Any remaining portion of the purchaser's or seller's order that would have passed the credit check had the purchaser or seller's order originally been limited to such amount shall be restored with its original price and time priority to the Master Order Book and any remaining portion of the purchaser's or seller's order that failed the credit check shall be cancelled.

IV-9. Final Settlement Price; Final Settlement

(a) The Final Settlement Price for a DBOR Contract will be an amount equal to the underlying film title's DBOR during the Final Settlement Period divided by one million (1,000,000), and then rounded to the nearest single decimal place by rounding the first digit after the decimal point down if the second digit after the decimal point is any of zero, one, two, three or four, and by rounding the first digit after the decimal point up if the second digit after the decimal point is any of five, six, seven, eight or nine. As an example, the Final Settlement Price of a DBOR Contract with an underlying film title that has earned a DBOR of \$56,450,000 during the Final Settlement Period would be calculated by taking \$56,450,000 divided by 1,000,000 (equaling \$56.45), and then rounding such amount to \$56.5.

(b) The Final Settlement Price of a DBOR Contract shall be effective at 9:00 P.M. on the Tuesday following the Last Trading Day, at which time all open positions in DBOR Contracts shall be marked to the Final Settlement Price and closed out in accordance with the then-applicable procedures of the Exchange for cash settlement of DBOR Contracts at expiration.

IV-10. Non-Qualifying Releases

(a) Any designation by the Exchange of a DBOR Contract as a Non-Qualifying Release must be

- (i) recommended by the Exchange's research department;
- (ii) approved by the President of the Exchange; and
- (iii) approved by the Regulatory Oversight Committee.

Such Non-Qualifying Release designation cannot be subsequently withdrawn by the Exchange. A DBOR Contract that has previously been designated a New Release or In Release cannot be designated as a Non-Qualifying Release and will settle at a Final Settlement Price calculated pursuant to Rule IV-9(a).

(b) Any DBOR Contract designated as a Non-Qualifying Release will be settled as of the End of Trading on the day following such designation, at which time the DBOR Contract will cease trading and settle at that day's daily Settlement Price.

IV-11. Delays in Release Date

If a DBOR Contract's underlying film title's release date is modified from its previously announced expected release date, the Exchange will publish such change and the Final Settlement Period will be modified accordingly.

IV-12. Prohibition on Trading on Objective, Material Non-Public Information

(a) Subsequent to the commencement of the Pre-Opening Auction with respect to any DBOR Contract, any person in possession of Material Non-Public Information

regarding the relevant film title will be prohibited from trading in DBOR Contracts with respect to such title.

(b) Notwithstanding anything to the contrary in these DBOR Contract Rules, the prohibitions on trading described in Rule IV-12(a) will not supersede any applicable prohibitions on fraud and manipulation, whether such prohibitions are prescribed by law, regulation or the Rules of the Exchange or the Rules of the Clearinghouse. The Exchange and the Clearinghouse each retain the right to take any appropriate disciplinary actions against Participants as permitted by the Rules of the Exchange or the Rules of the Clearinghouse, as applicable.

CHAPTER V MARGIN REQUIREMENTS

V-1. Original Margin Requirements

(a) Original Margin requirements for DBOR Contracts shall be established from time to time by the Exchange subject to the minimum requirements in this Rule V-1.

(b) All Participants will be required to have on deposit at all times with the Clearinghouse an amount in cash equal to or greater than three days' Original Margin for each new position that is established. The required amount of Original Margin will be equal to 100% of the amount that would be required to be paid by the relevant Participant if the position for which such Margin is required were liquidated at such time in accordance with the default liquidation and closeout procedure described in the Rules of the Clearinghouse.

(c) Original Margin rates will be reset every Trading Day based on that day's Settlement Price and applied to all open positions as of the End of Trading on such Trading Day.

(d) Original Margin will be released if at any time the amount on deposit exceeds the Original Margin requirement, and immediately upon the close-out of a position. Such amount will be applied to the Participant's balances as soon as practicable following the End of Trading on each Trading Day.

(e) The Original Margin for long positions in DBOR Contracts is 100% of the DBOR Contract value, based on (i) the actual purchase price for new long positions that are established intra-day or (ii) the Settlement Price for positions that are pre-existing positions as of the commencement of trading on such day.

(f) The Original Margin for short positions in DBOR Contracts is the greater of \$250 per DBOR Contract or 50% of the DBOR Contract value, based on the prior day's Settlement Price.

V-2. Variation Margin Requirements

(a) If as the End of Trading on any Trading Day, a Participant's account has fallen below its required Original Margin level, such Participant will be required to make a Variation Margin payment by 12:00 Noon on the Business Day following such Trading Day. In such circumstances, a failure of the Participant to meet the Clearinghouse's demand for a Variation Margin payment will be an Event of Default and the Clearinghouse will be entitled to initiate the procedures for liquidation of such Participant's positions, as described in the Rules of the Clearinghouse, as they may be amended from time to time.

(b) In the event that Variation Margin is owed pursuant to Rule V-2(a), the Participant will be notified via e-mail. The Clearinghouse will maintain an electronic record of the time at which notifications for Variation Margin payments are sent to each Participant.

Participants will be responsible for maintaining the necessary electronic accounts to receive these notifications in a timely fashion and the operational capacity to meet such demands for Variation Margin payments. The Clearinghouse will monitor the applicable Custody Account to verify if such amounts have been received and credit amounts received to the Clearing Account of the applicable Participant.

V-3. Margin Eligible Assets

(a) Notwithstanding anything to the contrary in the Rules of the Clearinghouse, only cash, obligations of the United States Department of the Treasury or other non-cash assets that may be approved by the Clearinghouse from time to time shall qualify as Margin Eligible Assets. Except as noted in the preceding sentence, the definition of Margin Eligible Assets in the Rules of the Clearinghouse is in full force and effect and is incorporated by reference herein.

(b) For the avoidance of doubt, the provisions of Rule IV-2 of the Rules of the Clearinghouse (or any successor rule), requiring that amounts payable by a Participant relating to a particular Clearing Account be in the form of (i) Margin Eligible Assets for Participants that are Entities and (ii) U.S. Dollars for Participants that are natural persons, is in full force and effect and is incorporated by reference herein.