

LIONSGATE

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April 16, 2010

House Committee on Agriculture
Chairman Collin C. Peterson
1301 Longworth House Office Building
Washington, D.C. 20515

House Committee on Agriculture
Ranking Member Frank D. Lucas
1301 Longworth House Office Building
Washington, D.C. 20515

Re: April 22, 2010 Committee Hearing on Application of Cantor Futures Exchange, L.P.

Dear Chairman Peterson and Ranking Member Lucas:

On behalf of Lionsgate, I appreciate the opportunity to submit this letter to the House Committee on Agriculture regarding the CFTC application of Cantor Futures Exchange, L.P. (the "Cantor Exchange") to become a designated contract market.

The Cantor Exchange proposes to establish a regulated futures market offering market participants the opportunity to hedge exposure to the domestic box office receipts of new film releases. Such a market would allow a diverse group of motion picture industry participants, including studios, film distributors, theater owners, investors and other financial intermediaries within the motion picture industry to manage their risk and exposure to new film releases. Fundamentally, therefore, the market will operate like, and serve the same purposes as, other futures markets.

Lionsgate is the leading next generation studio with a major presence in the production and distribution of motion pictures, television programming, home entertainment, family entertainment, video-on-demand and digitally delivered content. It commands a significant share of the North American theatrical box office. As an industry leader, we are excited by the prospect of a futures market in box office receipts.

Many independent filmmakers and distributors, including Lionsgate, rely on investors to finance the production and distribution of their films. We believe a market in domestic box office receipts would substantially widen the number and breadth of financing sources available to the motion picture industry by lowering the risk inherent in such financing.

Lionsgate is familiar with the application of the Cantor Exchange and has discussed with the Cantor Exchange the mechanics and utility of establishing a futures market in domestic box office receipts. We believe the Cantor Exchange would provide a very useful hedging tool for motion picture industry participants.

Through discussions with the Cantor Exchange, Lionsgate is comfortable that the market for futures on box office receipts can be adequately policed regarding material non-public information and attempted market manipulation. The Cantor Exchange, under the CFTC's rules, will restrict trading by those with material non-public information relating to film releases.

I would like to thank again the members of the Committee for affording Lionsgate the opportunity to submit this letter. We believe that the Cantor Exchange will offer a valuable market to Lionsgate and other motion picture industry participants and will have a positive influence on the industry.

Very truly yours,

A handwritten signature in black ink, consisting of a stylized 'M' followed by a long horizontal line that tapers to the right.

Michael Burns

cc: Commodity Futures Trading Commission
Chairman Gensler
Commissioner Dunn
Commissioner O'Malia
Commissioner Sommers
Commissioner Chilton