

UNITED STATES OF AMERICA

Before the

COMMODITY FUTURES TRADING COMMISSION

In the Matter of the Request of Cantor Futures Exchange, L.P.
for Designation as a Contract Market Under Section 5
of the Commodity Exchange Act and Part 38 of the Rules
of the Commodity Futures Trading Commission

ORDER OF DESIGNATION AS A CONTRACT MARKET

Cantor Futures Exchange, L.P., (“Cantor”), a wholly-owned subsidiary of Cantor Fitzgerald, L.P., submitted an application, which includes submissions dated November 28, 2008, through February 5, 2010, pursuant to Section 5 of the Commodity Exchange Act, as amended (“Act”), 7 U.S.C. § 7, requesting designation as a contract market. Having reviewed the complete record in this matter, including the application and the accompanying Cantor representations, the Commission adopts the reasons set forth in the April 16, 2010 Memorandum of the Division of Market Oversight as the basis for the following findings and rulings:

WHEREAS, Cantor represents that it will meet all the requirements for contract market designation under Section 5(b) of the Act, comply with all core principles applicable to designated contract markets under Section 5(d) of the Act and the Commission’s regulations thereunder and remain subject to and compliant with all provisions of the Act and the Commission’s regulations applicable to designated contract markets, including self-regulatory responsibilities applicable to designated contract markets under the Act and the Commission’s regulations;

The Commission finds that, as required by Section 6(a), 7 U.S.C. § 8(a), Cantor provides a showing that it complies with the provisions set forth in the Act, and the Commission's regulations thereunder applicable to it, for designation as a contract market, and Cantor provides a sufficient assurance that it will continue to comply with the requirements of the Act and the Commission's regulations;

IT IS HEREBY ORDERED that Cantor's application for designation as a contract market is approved;

IT IS ALSO ORDERED that this approval of the application for contract market designation shall be subject to compliance by Cantor with all sections of the Act and the Commission's regulations thereunder, including all regulatory services performed by third party service providers, within or without the jurisdiction of the United States and all representations and submissions made by Cantor in support of this application, applicable to Cantor as a designated contract market;

IT IS FURTHER ORDERED that Cantor will demonstrate to the Commission, at the end of each fiscal quarter after the date of this Order, that it has sufficient financial resources to operate in compliance with all core principles applicable to designated contract markets under Section 5(d) of the Act and the Commission's regulations thereunder, by demonstrating that it has sufficient financial resources to cover its projected operating costs, as calculated for the following twelve months, and by demonstrating that its financial resources include unencumbered, liquid assets equal to at least six months of such projected operating costs. In the event that the Commission promulgates a regulation under the Act concerning the financial resources that a designated contract market must hold to demonstrate its ability to operate in compliance with all core principles applicable to designated contracts markets under Section 5(d)

of the Act and the Commission's regulations thereunder, then such regulation will, to the extent it applies, supersede any obligation of Cantor under this paragraph;

IT IS FURTHER ORDERED that all contracts of sale of a commodity for future delivery (or options on such contracts or on a commodity) traded on Cantor must be cleared by a derivatives clearing organization ("DCO") registered under Section 5b of the Act, but such trading may not be intermediated. Any DCO with which Cantor desires to enter into a clearing services agreement must, in complying with Commission Regulation 39.4, also fulfill requirements of Commission Regulation 39.5 by providing the Commission with an explanation of how the financial resources available to the clearing DCO would be sufficient to cover defaults and adequately address any financial risk presented to the DCO in clearing the Cantor contracts under the clearing services agreement;

IT IS FURTHER ORDERED that Cantor shall utilize and enforce effective policies, procedures and rules regarding validation and verification of the calculation of contract settlement values, studio/distributor firewall requirements and trader restrictions consistent with those provided to the Commission with its application for contract market designation;

IT IS FURTHER ORDERED that this designation as a contract market shall be subject to Cantor's compliance with representations it made to the Commission in its application, as shown in the application record, including, but not limited to, the following specific representations made pursuant to its application for contract market designation:

- A. Cantor agrees to provide the Commission with trade data on a T+1 basis, either directly or through its agent, in a form, content, and manner acceptable to the Commission. Cantor acknowledges the Commission's transition to a new FIXML data standard and commits to use of such standard within 60 days of the Commission staff's formal written request;
- B. Cantor has an appropriate audit trail and recordkeeping enforcement program consistent with Commission guidelines requiring that all persons entering orders

into the Cantor Direct System are uniquely identified, that all required order entry fields are populated and, further, that the Cantor Direct System gathers sufficient data to track the compliance of its Participants. Furthermore, Cantor agrees to conform its audit trail and recordkeeping enforcement program to comply with any future standards required by the Commission;

- C. Cantor represents that it will submit for Commission review and approval any new class or category of contracts associated with media-related products including its first contracts, the Domestic Box Office Receipt futures contract, prior to listing them for trading on its designated contract market;

IT IS FINALLY ORDERED, in consideration of Cantor's status as a non-intermediated market, that this designation as a contract market shall be subject to Cantor's compliance with representations it made to the Commission in its application:

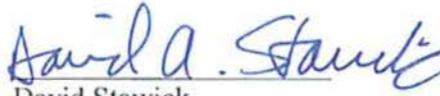
- A. Cantor will provide Participants on the Cantor Exchange with order confirmations of each executed transaction and with monthly account statements;
- B. Cantor will provide large trader reports to the Commission in accordance with Commission regulations;
- C. Cantor will maintain funds of Participants in bank accounts that will be segregated at all times in accordance with the Commission's regulations;
- D. Cantor will not cheat, defraud or deceive, or attempt to cheat, defraud or deceive, any Participant of the Cantor Exchange or Cantor Clearinghouse;
- E. Cantor will not bucket a Participant's order or engage in a business that is of the nature of a bucket shop;
- F. Cantor will not willfully make or cause to be made to a Participant a false report, or willfully enter or cause to be entered for a Participant a false record, in or in connection with any contract traded on the Cantor Exchange or cleared through Cantor Clearinghouse;
- G. Cantor will not disseminate, or cause to be disseminated, false or misleading information, or a knowingly inaccurate report, that affects or tends to affect the price of any contract;
- H. Cantor will not engage in manipulative acts or practices regarding the price of a contract;
- I. Cantor will not willfully submit false or misleading information to the Commission, Cantor regulatory services provider, or their respective agents; and

- J. Cantor will not embezzle, steal, purloin or knowingly convert any money, securities or other property received from or accruing to a Participant in connection with contracts traded or cleared by such participant.

In issuing this order, the Commission notes that it is not approving any form of box office receipt contract and has not determined whether the contract terms and conditions of any such contract is consistent with the Act and the Commission's regulations.

Issued in Washington, D.C. this 20th day of April, 2010.

By the Commission

A handwritten signature in blue ink that reads "David A. Stawick". The signature is written in a cursive style with a horizontal line under the name.

David Stawick
Secretary