

**Cantor Futures Exchange
Rule Change 2010-4
October 6, 2010**

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1. The text of the product's terms and conditions and all related rules are attached.
2. The intended listing date is October 7, 2010. However, the FXSI Daily Futures and Binary Flex Option contracts cannot be listed until Cantor Clearinghouse, L.P.'s Petition to Modify the Commission Order Registering Cantor Clearinghouse, L.P. as a Derivatives Clearing Organization, issued on April 20, 2010, which has been filed with the Commission on this date under separate cover, is granted.
3. The certification of compliance with the Act is attached, noting however, that the contracts will be in compliance once the Petition referenced in 2 above, has been granted.

**SUPPLEMENTAL EXPLANATION OF THE CONTRACT'S TERMS AND
CONDITIONS**

The contracts are consistent with the requirements of the Act, Commission rules and policies, and in particular, Guideline No. 1, 17 CFTC, Part 40, Appendix D. That consistency is clear on the face of the contracts' terms and conditions. Nevertheless, we offer the following supplemental explanation by means of the Guideline No.1 Compliance Charts.

Term or condition	Rule number of identical approved provision, if any ¹	Explanation as to consistency with, or reason for variance from, cash market practice
1. Commodity characteristics (e.g., grade, quality, weight, class, growth, issuer, maturity, source, rating, etc.)	I-2	The commodities are foreign currency pairs of major money center currencies.
2. Delivery months, noting any cyclical variations in trading activity that may affect the potential for manipulating the cash settlement price	I-6	The futures contracts are daily futures contracts. Expiration is at the end of each day. The intra-day options are open for trading for a period of two hours. These contracts are consistent with cash market practice and contracts listed on other exchanges
3. Last trading day		See above

4. Contract size	I-4	The futures contract size is determined as a multiplier times the underlying index. This is common industry practice in determining the contracts that are cash settled to an index.
5. Minimum price change (tick)	I-5	The minimum price change for the contracts is \$0.10. The tick size is reasonably determined given the overall contract value so as not to be unduly large. The minimum tick size is anticipated to result in liquid trading and bid/offer spreads that are not unduly or unusually large.
6. Daily price limit provisions, relative to cash market price movements		There are no daily price limits. Price limits are not common in the cash market or in foreign currency futures contracts or options.

Terms and Conditions Related to Cash Settlement Price Series

Requirement	Rule number of identical approved provision	Explanation or justification
1. Where an independent third party calculate the cash settlement price series, evidence that the third party does not object to its use and provides safeguards against susceptibility to manipulation	NA	
2. Where board of trade generates cash settlement price series, specifications of calculation procedure and safeguards in cash settlement process to protect against susceptibility to manipulation (e.g., if self-generated survey, polling sample representative of cash market, but with a minimum of 4 non-trading entities or 8 entities that trade for own account)	I-2.	The final settlement price is generated by Cantor Exchange, but relies upon price quotes that are made available from an independent third party source that is generally recognized as a major distributor of pricing information. The Exchange will calculate the Index using an Olympic average of 8 quotes on a continual basis. The rules provide for alternative calculation in the discretion of the Exchange in the event that quotes are unavailable for a period of greater than one-half hour.

3. Procedure for, and timeliness of, dissemination to public		The FXSI will be disseminated on a continuing basis by the Exchange to its members and to the public, through price disseminators for a subscription fee.
4. Evidence that price is reliable indicator of cash market values and acceptable for hedging		The price is based upon price quotes from a cash market that is one of the deepest and most liquid that is traded. The price calculation methodology relies upon 8 quotes and discards the two highest and two lowest.


Terms and Conditions Related to Speculative Limits

Speculative limit	Standard	Level (exchange rule)
1. Spot, single month, all months	Must be no greater than necessary to minimize the potential for manipulation or distortion of the contract's or the underlying commodity's price	NA. As foreign currency contracts, the contracts provide for a Position Accountability level of 10,000 contracts, all contracts combined. Because the contracts are for daily, or intra-day expiration, there is no need to differentiate between spot and deferred months.
4. Reporting level	Equal to or less than levels specified in CFTC rule 15.03	Because the exchange is non-intermediated, it need not specify reporting levels. The exchange and clearing house have available complete information with respect to the positions of each participant.
5. Aggregation rule	Same as CFTC rule 150.5(g) or previously approved language	Yes.

As indicated by the above chart, the cash price series for the FXSI Index is reliable, acceptable and timely and is not readily subject to manipulation. The data are provided by a third-party information aggregator and is licensed to the Cantor Futures Exchange for its use. The data are collected in a highly automated manner and are generally recognized as reliable by cash market participants. In light of the depth and liquidity of the foreign currency spot market and the relatively good transparency of the spot market transactions, Cantor Exchange believes that the quotes upon which the Index is calculated are unlikely to be readily subject to manipulation.

CERTIFICATION PURSUANT TO SECTION 5c OF THE
COMMODITY EXCHANGE ACT, 7 U.S.C. §7A-2 AND
COMMODITY FUTURES TRADING COMMISSION RULE 40.2,
17 C.F.R. §40.2

I hereby certify that, upon the granting by the Commission of the Cantor Clearinghouse, L.P.'s Petition to Modify the Commission Order Registering Cantor Clearinghouse, L.P. as a Derivatives Clearing Organization, issued on April 20, 2010, which has been filed with the Commission on this date under separate cover, the Cantor Exchange Foreign Exchange Rate Spot Index Daily Futures and Intraday Binary Option Contracts comply with the Commodity Exchange Act, 7 U.S.C. §1 *et seq.* and regulations thereunder.


By: Nolan Glantz
Title: Chief Operations Officer
Dated: 10/6/2010