

**LIMITED PARTNERSHIP AGREEMENT**  
**OF**  
**BGC DERIVATIVE MARKETS, L.P.**  
**A Delaware Limited Partnership**

Dated as of November 21, 2011

## LIMITED PARTNERSHIP AGREEMENT

### BGC DERIVATIVE MARKETS, L.P. A Delaware Limited Partnership

This Limited Partnership Agreement of **BGC Derivative Markets, L.P.** (this "Agreement"), dated as of \_\_\_\_\_, 2011, is executed and agreed to, for good and valuable consideration, by the Partners (as defined below).

#### ARTICLE I DEFINITIONS

##### 1.01 Definitions.

As used in this Agreement, the following terms have the following meanings:

*"Act"* means the Delaware Revised Uniform Limited Partnership Act, 6 Delaware Code, Chapter 17, as amended from time to time, and any successor statute.

*"Capital Account"* means the capital account of a Partner in the Partnership as adjusted up to the date of determination pursuant to Section 4.04.

*"Capital Contribution"* means any contribution by a Partner to the capital of the Partnership.

*"Certificate"* has the meaning given that term in Section 2.01.

*"Code"* means the Internal Revenue Code of 1986 and any successor statute, as amended from time to time.

*"Fiscal Year"* means the Partnership's fiscal year.

*"General Partner"* means BGC Derivative Markets Holdings, LLC, a Delaware limited liability company and any other person admitted to the Partnership as a General Partner in the sole and absolute discretion of the Managing Partner.

*"Limited Partner"* means BGC Partners, L.P., a New York general partnership and any other person admitted to the Partnership as a Limited Partner by the Managing Partner in the sole and absolute discretion of the Managing Partner.

*"Majority Interest"* means one or more Partners having among them more than 50% of the Percentage Interests of all Partners.

*"Managing Partner"* means BGC Derivative Markets Holdings, LLC, a Delaware limited liability company and any successor admitted to the Partnership as a Managing Partner in accordance with the terms of this Agreement.

*"Net Losses"* shall mean, for each Fiscal Year, the excess of losses and deductions of the Partnership over income and gains as reported, separately or in the aggregate, as appropriate, on the Partnership's information tax return filed for federal income tax purposes, as adjusted to reflect the modifications required by Section 1.704-1(b)(2)(iv) of the Treasury Regulations and such modifications thereunder that the General Partner deems appropriate.

*"Net Profits"* shall mean, for each Fiscal Year, the excess of income and gains of the Partnership over losses and deductions as reported, separately or in the aggregate, as appropriate, on the Partnership's information tax return filed for federal income tax purposes, as adjusted to reflect the modifications required by Section 1.704-1(b)(2)(iv) of the Treasury Regulations and such modifications thereunder that the General Partner deems appropriate.

*"Partners"* shall mean the General Partner and the Limited Partner and any other Person admitted to the Partnership in accordance with this Agreement.

*"Partnership"* means BGC Derivative Markets , L.P., a Delaware limited partnership.

*"Partnership Interest"* means the interest of the Partners in the Partnership, including, without limitation, rights to distributions (liquidating or otherwise), allocations, information, accounts and inspections and to consent or approve.

*"Percentage Interest"* with respect to the Partners means initially the Percentage Interests that are shown as Exhibit A and thereafter such Percentage Interests as they may be adjusted from time to time by the Managing Partner in its sole and absolute discretion.

*"Person"* means a natural person, partnership (whether general or limited), limited liability company, trust, estate, association, corporation, custodian, nominee or any other individual or entity in its own or any representative capacity, in each case, whether domestic or foreign.

*"Transfer"* means a sale, assignment, transfer, exchange, mortgage, pledge, grant of a security interest, or other disposition or encumbrance (including, without limitation, by operation of law).

*"Treasury Regulations"* means the income tax regulations promulgated from time to time by the U.S. Department of Treasury.

Other terms defined herein have the meanings so given them.

## **1.02 Construction.**

Whenever the context requires, the gender of all words used in this Agreement includes the masculine, feminine, and neuter. All references to Articles and Sections refer to articles and sections of this Agreement, and all references to Exhibits are to Exhibits attached hereto, each of which is made a part hereof for all purposes.

## **ARTICLE II ORGANIZATION**

### **2.01 Formation.**

The Partnership has been organized as a Delaware limited partnership by the filing of a Certificate of Limited Partnership (the "Certificate") with the office of the Delaware Secretary of State as required under and pursuant to the Act. The rights and obligations of the Partners shall be as provided in the Act, except as otherwise provided herein.

## **2.02 Name.**

The name of the Partnership is "BGC Derivative Markets Holding I, L.P." and all Partnership business must be conducted in that name or such other names that comply with applicable law as the Partners may select from time to time.

## **2.03 Registered Office; Registered Agent; Principal Office; Other Offices.**

The registered office of the Partnership shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Partnership) as the General Partner may designate from time to time in the manner provided by law. The registered agent of the Partnership in the State of Delaware shall be the initial registered agent named in the Certificate or such other Person or Persons as the General Partner may designate from time to time in the manner provided by law. The principal place of business of the Partnership and any other offices of the Partnership shall be at such locations as the General Partner may designate from time to time.

## **2.04 Purpose.**

The purpose of the Partnership is to transact any and all lawful business for which limited partnerships may be organized under the Act.

## **2.05 Term.**

The Partnership commenced on the date of the filing of the Certificate of Limited Partnership with the Secretary of State of Delaware and, except as otherwise provided in the Act or in this Agreement, shall continue in existence perpetually.

## **2.06 Powers.**

The Partnership shall possess and may exercise any and all the powers and privileges granted by the Act or by any other applicable law to limited partnerships or by this Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Partnership.

# **ARTICLE III PARTNERS; DISPOSITIONS OF INTERESTS**

## **3.01 Initial Partners.**

The Partners of the Partnership as of the date hereof are the General Partner and the Limited Partner, which are admitted to the Partnership as Partners effective contemporaneously with the execution of this Agreement.

## **3.02 Assignability; Transferability.**

Each Partner hereby agrees not to, directly or indirectly, Transfer, its Partnership Interest, in whole or in part, without the prior, written consent of all Partners, which consent may be given or withheld in the sole and absolute discretion of each Partner. Upon the receipt of all Partner's consent, pursuant to Section 18-704(a) of the Act, a transferee shall be admitted to the

Partnership as a substituted partner ("Substituted Partner") upon agreement by such transferee to be bound by the terms of this Agreement. A Partner shall cease to be a Partner when the Partner has Transferred all such Partner's interests in the Partnership to one or more transferees and all such transferees are or become admitted as Substituted Partners.

The Substituted Partner shall be entitled to share in the Net Profits and Net Losses and receive such distributions to which the Partner whose Partnership Interest is the subject of such Transfer was entitled, to the extent assigned.

Any purported Transfer of any Partner's interest in the Partnership not in compliance with this Section shall be null and void, regardless of any notice provided to the Partnership, and shall not create any obligation or liability of the Partnership to the purported transferee, and any person purportedly acquiring any interest in the Partnership purportedly Transferred without the prior written consent required by this Section shall not be entitled to admission to the Partnership as a Substituted Partner.

### **3.03 Business Transactions with Partners and General Partner.**

A Partner may lend money to, borrow money from, act as a surety, guarantor or endorser for, guarantee or assume one or more specific obligations of, provide collateral for, and transact other business with the Partnership and, subject to applicable law, shall have the same rights and obligations with respect to any such matter as a Person who is not a Partner.

### **3.04 Liability to Third Parties.**

No Limited Partner or officer of the Partnership shall personally be liable for the debts, obligations or liabilities of the Partnership, whether arising in contract, tort or otherwise, including under a judgment, decree or order of a court, which shall be solely debts, obligations and liabilities of the Partnership.

### **3.05 Withdrawal.**

A Limited Partner does not have the right or power to withdraw from the Partnership as a partner without the consent of the Managing Partner, which may be granted or withheld in the sole and absolute discretion of the Managing Partner.

## **ARTICLE IV CAPITAL CONTRIBUTIONS**

### **4.01 Initial Contributions.**

Contemporaneously with the execution of this Agreement, the Partners shall make the Capital Contribution described for that Partner in Exhibit A.

### **4.02 Subsequent Contributions.**

Except as provided in Section 4.01 no Partner shall have any obligation to make any Capital Contribution. Subsequent Capital Contributions may be made from time to time with the consent of the Managing Partner, in which case all such subsequent contributions shall be made in accordance with the Percentage Interests of the Partners.

### **4.03 Return of Contributions.**

A Partner is not entitled to the return of any part of its Capital Contributions or to be paid interest in respect of either its Capital Account or its Capital Contribution. An un-repaid Capital Contribution is not a liability of the Partnership or of any Partner. A Partner is not required to contribute or to lend any cash or property to the Partnership to enable the Partnership to return any Partner's Capital Contribution.

#### **4.04 Capital Accounts.**

(a) A separate Capital Account shall be maintained for each Partner. The initial Capital Account of the Partners shall be the amount of its initial Capital Contribution as reflected on Exhibit A.

(b) Thereafter, Capital Accounts shall be maintained generally in accordance with the requirements of Code Section 704(b) and the Treasury Regulations promulgated thereunder except to the extent necessary to avoid any material distortion of the allocations and distributions otherwise provided for herein.

(c) In the event of (i) the acquisition of any Partnership Interest by any new or existing Partner in exchange for subsequent Capital Contribution, (ii) the distribution of Partnership property (other than a pro rata distribution) to a Partners or (iii) any other event described in Treasury Reg. Section 1.704-1(b)(2)(iv)(f)(5), the General Partner in its sole and absolute discretion may cause the Capital Accounts of all the Partners to be adjusted by the Partnership as of the day immediately before the day of such event to reflect the fair market value of the Partnership's assets (as determined by the General Partner in good faith), which shall be determined as though the Partnership recognized gain or loss equal to the aggregate net amount of such adjustment.

### **ARTICLE V ALLOCATIONS, DISTRIBUTIONS AND BUDGETS**

#### **5.01 Allocation of Net Profits, Net Losses, and Other Gains and Losses.**

(a) Subject to the provisions of this Section 5.01, and after all Capital Contributions and distributions for a Fiscal Year have been registered in the Partners' Capital Accounts, the Net Profits and Net Losses for the Fiscal Year shall be allocated to the Partners in proportion to their Percentage Interests.

(b) The Partners intend that each Partner's allocable share of Net Profits and Net Losses shall be determined and allocated in accordance with this Section 5.01 to the fullest extent permitted by Code Sections 704(b) and 704(c) and the Treasury Regulations promulgated thereunder. In the event that the Partnership is advised that such allocations will not be respected for federal income tax purposes, the allocation provisions of this Agreement shall be amended in the manner that the Managing Partner determines in its sole and absolute discretion to be in the best interest of the Partnership, consistent with the terms of this Agreement.

#### **5.02 Distributions.**

(a) The Partnership shall make such distributions as the General Partner determines.

(b) All distributions to the Partners shall be made in accordance with their positive

Capital Account balances.

## **ARTICLE VI GENERAL PARTNER; OFFICERS**

### **6.01 The General Partner.**

The General Partner is the Managing Partner and shall act as the Managing Partner and make all decisions and take all actions for the Partnership not otherwise provided for in this Agreement. The Managing Partner may act through such persons as it, in its sole discretion, deems necessary and appropriate to perform its duties hereunder and may designate any such persons as officers of the Partnership.

### **6.02 Action by Written Consent.**

Any action permitted or required by the Act, the Certificate, or this Agreement to be taken at a meeting of the Partners may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by the Partners. Such consent shall have the same force and effect as a unanimous vote at a meeting and may be stated as such in any document or instrument filed with the Secretary of State of Delaware, and the execution of such consent shall constitute attendance or presence in person at a meeting of the Partners.

### **6.03 Compensation.**

The Partners shall receive such compensation, if any, for their services as may be designated from time to time by the Managing Partner. In addition, the Partners shall be entitled to be reimbursed for out-of-pocket costs and expenses incurred in the course of their service hereunder.

### **6.04 Conflicts of Interest.**

The Managing Partner at any time and from time to time may engage in and possess interests in other business ventures of any and every type and description, independently or with others, including ones in competition with the Partnership, with no obligation to offer to the Partnership or any other Partner or officer the right to participate therein. The Managing Partner shall not be obligated to present any particular business opportunity to the Partnership, even if such opportunity is of a character which, if presented to the Partnership, could be taken by the Partnership.

The Partnership may transact business with any Partner or officer, or any affiliate thereof, provided that the terms of those transactions are no less favorable than those the Partnership could obtain from unrelated third parties and are approved by the Managing Partner.

### **6.05 Third Parties.**

Any Person other than a Partner dealing with the Partnership, may rely on the authority of the Managing Partner or any designee of the Managing Partner in taking any action in the name of the Partnership without inquiry into the provisions of this Agreement or compliance herewith, regardless of whether that action actually is taken in accordance with the provisions of this Agreement.



#### **6.06 Meetings of Partners.**

(a) Annual meetings of the Partners of the Partnership, if any, shall be held at such time, date and place as the Managing Partner shall determine.

(b) Special meetings of the Partners for any proper purpose or purposes may be called at any time by any Partner.

(c) All meetings of the Partners of the Partnership shall be held at such time, date and place, within or without the State of Delaware, as may from time to time be designated by the Managing Partner, in the case of annual meetings, or by the Person or Persons calling the special meeting, and specified in the respective notices or waivers of notice thereof.

(d) Except as otherwise required by law, notice of each meeting of the Partners of the Partnership shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each Partner of record entitled to vote at such meeting by delivering a type written or printed notice thereof to him personally, or by depositing such notice in the United States mail in a postage prepaid envelope, direct to him at his post office address furnished by the Partner to the Partnership.

### **ARTICLE VII LIABILITY AND INDEMNIFICATION**

#### **7.01 Liability.**

Neither the General Partner nor any other Partner shall be liable, responsible or accountable, in damages or otherwise, to any other Partner or to the Partnership for any act performed or omitted to be performed by the Partner with respect to Partnership matters, including by reason of any Partner's status as a General Partner, except for fraud or willful misconduct or an intentional breach of this Agreement.

#### **7.02 Right to Indemnification.**

The Partnership shall indemnify each Partner for any act performed by such Partner to the fullest extent permitted by the Act.

#### **7.03 Nature of Obligation.**

The Partners agrees that their relationship and obligations to the Partnership are the contractual relationship and obligations solely as set forth in this Agreement and that they shall have no other obligations to the Partnership by reason of its status as a Partner or Managing Partner, including without limitation any fiduciary obligations, other than those so set forth in this Agreement or as required by the Act.



## **ARTICLE VIII TAXES**

### **8.01 Tax Returns.**

The Managing Partner shall cause to be prepared and filed all necessary federal and state income tax returns for the Partnership, including making the elections described in Section 8.02.

### **8.02 Tax Elections.**

All elections permitted to be made by the Partnership under federal, state, local or foreign laws shall be made by the Managing Partner in its sole discretion.

### **8.03 Tax Matters Partner.**

The Managing Partner is hereby designated the Partner to be the "tax matters partner" of the Partnership pursuant to Section 6231(a)(7) of the Code. The "tax matters partner" shall have the exclusive authority to represent the Partnership with respect to any tax audit or other tax proceeding, including without limitation entering into settlement of any other tax controversy, and shall otherwise exercise any authority permitted the "tax matters partner" under the Code.

## **ARTICLE IX BOOKS, RECORDS, REPORTS, AND BANK ACCOUNTS**

### **9.01 Maintenance of Books.**

The Partnership shall keep books and records of accounts and shall keep minutes of the proceedings of its Partners. The books of account for the Partnership shall be maintained in accordance with the terms of this Agreement, except that the capital accounts of the Partners shall be maintained in accordance with Section 4.04.

### **9.02 Accounts.**

The Managing Partner shall establish and maintain one or more separate bank and investment accounts and arrangements for Partnership funds in the Partnership name with financial institutions and firms that the Managing Partner determines.

## **ARTICLE X DISSOLUTION, LIQUIDATION, AND TERMINATION**

### **10.01 Dissolution.**

The Partnership shall dissolve and its affairs shall be wound up on the first to occur of the following:

- (a) the written consent of all of the Partners; or

(b) entry of a decree of judicial dissolution of the Partnership under the applicable provisions of the Act.

#### **10.02 Winding Up, Liquidation and Distribution of Assets.**

(a) Upon dissolution of the Partnership, an accounting shall be made by the Partnership's accountants of the accounts of the Partnership and of the Partnership's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Managing Partner shall immediately proceed to wind up the affairs of the Partnership.

(b) If the Partnership is dissolved and its affairs are to be wound up, the Managing Partner shall (i) sell or otherwise liquidate all of the Partnership's assets as promptly as practicable (except to the extent the Managing Partner may determine to distribute any assets to the Partners in kind), (ii) allocate any profit or loss resulting from such sales to the Partners' Capital Accounts in accordance with Article V hereof, (iii) discharge all liabilities of the Partnership (other than liabilities to Partners), including all costs relating to the dissolution, winding up, liquidation and distribution of assets, (iv) establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Partnership (for purposes of determining the Capital Accounts of the Partners, the amounts of such reserves shall be deemed to be an expense of the Partnership), (v) discharge any liabilities of the Partnership to the Partners other than on account of their interests in Partnership capital or profits, and (vi) distribute the remaining assets in the following order:

(1) If any assets of the Partnership are to be distributed in kind, the net fair market value of such assets as of the date of dissolution shall be determined by independent appraisal or by agreement of the Partners. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Partners shall be adjusted pursuant to the provisions of Article V to reflect such deemed sale.

(2) The positive balance of each Partner's Capital Account as determined after taking into account all Capital Account adjustments for the Partnership's taxable year during which the liquidation occurs, shall be distributed to the Partners, either in cash or in kind, as determined by the Managing Partner, with any assets distributed in kind being valued for this purpose at their fair market value. Any such distributions to the Partners in respect of its Capital Accounts shall be made in accordance with the time requirements set forth in Treasury Regulations Section 1.704-1(b)(2)(ii)(b)(2).

#### **10.03 Deficit Capital Accounts.**

Notwithstanding anything to the contrary in this Agreement, no Limited Partner shall be obligated to make any contribution to the capital of the Partnership in order to restore a deficit balance in its Capital Account, and a negative balance of a Limited Partner's Capital Account shall not be considered a debt owed by such Limited Partner to the Partnership or to any other Person for any purpose whatsoever.

#### **10.04 Certificate of Cancellation.**

On completion of the distribution of Partnership assets as provided herein, the Partnership is terminated, and the Managing Partner (or such other Person or Persons as the Act may require or permit) shall file a Certificate of Cancellation with the Secretary of State of Delaware, cancel any other filings made pursuant to Section 2.06, and take such other actions as may be necessary to terminate the Partnership.

## **ARTICLE XI GENERAL PROVISION**

### **11.01 Offset.**

Whenever the Partnership is to pay any sum to any Partner, any amounts that such Partner owes the Partnership may be deducted from that sum before payment.

### **11.02 Notices.**

Except as expressly set forth to the contrary in this Agreement, all notices, requests, or consents provided for or permitted to be given under this Agreement must be in writing and must be given either by depositing that writing in the United States mail, addressed to the recipient, postage paid, and registered or certified with return receipt requested, or by delivering that writing to the recipient in person, by courier, or by facsimile transmission; and, except as otherwise provided in this Agreement, a notice, request, or consent given under this Agreement is effective on receipt by the Person to receive it. All notices, requests, and consents to be sent to a Partner must be sent to or made at the addresses given for that Partner on Exhibit A, or such other address as that Partner may specify by notice to the other Partners. Any notice, request, or consent to the Partnership must be given to the Partnership at the following address: 110 East 59<sup>th</sup> Street, New York, NY 10022. Whenever any notice is required to be given by law, the Certificate or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

### **11.03 Entire Agreement.**

This Agreement, together with the Certificate, constitutes the entire agreement of the Partners and their affiliates relating to the Partnership and supersedes all prior contracts or agreements with respect to the Partnership, whether oral or written.

### **11.04 Effect of Waiver or Consent.**

A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Partnership is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Partnership. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Partnership, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the applicable statute-of-limitations period has run.

### **11.05 Amendment or Modification.**

Except as may be expressly provided otherwise herein, this Agreement may be amended or modified from time to time only by a written instrument executed by the Partners.

### **11.06 Binding Effect; No Third Party Beneficiaries.**

Subject to the restrictions on transfers set forth in this Agreement, this Agreement is binding on and inures to the benefit of the Partners and their respective successors and assigns. There are no third party beneficiaries of this Agreement.

### 11.07 Governing Law; Severability.

THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF DELAWARE, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. In the event of a direct conflict between the provisions of this Agreement and (a) any provision of the Certificate, or (b) any mandatory provision of the Law (or to the extent such statutes are incorporated into the Law, or the Delaware Revised Uniform Limited Partnership Act the applicable provision of the Certificate, the Act, the Delaware Revised Uniform Limited Partnership Act shall control. If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances shall not be affected thereby and that provision shall be enforced to the greatest extent permitted by law.

### 11.08 Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

IN WITNESS WHEREOF, following adoption of this Agreement, the Partners have executed this Agreement as of the date first set forth above.

GENERAL PARTNER:  
BGC DERIVATIVE MARKETS  
HOLDINGS, LLC

  
\_\_\_\_\_  
Name: Stephen M. Merkel  
Title: Executive Managing Director

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LIMITED PARTNER  
BGC PARTNERS, L.P.

  
\_\_\_\_\_  
Name: Stephen M. Merkel  
Title: Executive Vice President

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[Signature Page to Limited Partnership Agreement of BGC Derivative Markets, L.P.  
dated as of November 21, 2011.]

## EXHIBIT A

<u>Name, Address and Initial Capital Contribution of Each Partner</u>	<u>Initial Percentage Interest</u>	<u>Amount of Initial Capital Contribution</u>
BGC Partners, L.P. 499 Park Avenue New York, New York 10022	99.75%	\$99.75
BGC Derivative Markets Holdings, LLC 499 Park Avenue New York, New York 10022	0.25%	\$0.25

[Signature Page to Exhibit A of the Limited Partnership Agreement of BGC Derivative  
Markets, L.P. dated as of November 21, 2011.]