

Cantor Clearinghouse
Rule Change 2013-4
March 13, 2013

1. The text of the amendment to Clearinghouse Rule VII-3 of the Cantor Clearinghouse, L.P. Rulebook is attached. Additions are underlined and deletions are stricken through. This rule has been approved by the Board of Directors of Cantor Clearinghouse Holdings, LLC.
2. The proposed effective date is March 28, 2013.
3. No opposing views were expressed with respect to the proposed rule changes by governing board or committee members or market participants.

SUPPLEMENTAL EXPLANATION OF THE OPERATION, PURPOSE AND EFFECT OF THE
PROPOSED RULE

As amended, Rule VII-3 clarifies the intended operation of the rule.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. §7a-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17 C.F.R. §40.6

I hereby certify that the foregoing rule amendments comply with the Commodity Exchange Act, 7 U.S.C. §1 *et seq.* and regulations thereunder.



By: Nolan Glantz
Title: Chief Operations Officer
Dated: 3/13/2013

I hereby certify that a copy of this filing was posted on the Cantor Clearinghouse, L.P. website the day of its submission to the Commission.



By: Nolan Glantz
Title: Chief Operations Officer
Dated: 3/13/2013

CANTOR CLEARINGHOUSE, L.P. RULES

CHAPTER VII PARTICIPANT DEFAULTS AND EMERGENCIES

VII-3. Payments Upon an Event of Default

Upon the occurrence of any Event of Default:

- (a) any and all amounts previously paid by the Defaulting Participant pursuant to applicable Contract Rules (including any and all amounts of Original Margin, Variation Margin and any other margin obligations upon delivery or settlement of the Contract, as specified in the relevant Contract Rules, previously paid by the Defaulting Participant) and any other assets of such Defaulting Participant under the control of the Clearinghouse shall be liquidated and applied by the Clearinghouse to pay any and all amounts owing by such Defaulting Participant to the Clearinghouse ~~or to any other Participant~~ (the “Defaulted Obligations”); ~~in the following order of priority: first, to the Clearinghouse; second, to any Participant that is a creditor of the Defaulting Participant; and~~
- (b) if the amounts and assets referred to in clause (a) above are in the aggregate less than the Defaulted Obligations, and such Defaulting Participant fails to pay the Clearinghouse the amount of such deficiency on demand, such Defaulting Participant shall continue to be liable therefor, but the amount of such deficiency, until collected from such Defaulting Participant, shall be satisfied from the following sources of funds in the order listed:
 - (i) if the President so determines, a loan obtained by the Clearinghouse on such terms and conditions as the President may determine;
 - (ii) the Guaranty Fund;
 - (iii) such portion, if any, of the surplus of the Clearinghouse as the Board may determine to be available for such purpose.

The deficiency, when and as collected, shall be paid to the Clearinghouse ~~or to any other Participant in the following order of priority: first, to the Clearinghouse; second, to any Participant that is a creditor of the Defaulting Participant.~~