

**Cantor Clearinghouse
Rule Change 2012-2
October 1, 2012**

1. The text of the amendment to Clearinghouse Rule I-6 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 the earlier of November 1, 2012 or the date of the Commodity Futures Trading Commission's approval of the Clearinghouse's petition to amend its Derivatives Clearing Organization order.
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**

This amendment to Clearinghouse Rule I-6 is one of several changes in the Clearinghouse's Rulebook. In addition to this rule change, other rule changes: (a) provide clear guidance on what constitutes a conflict of interest and the process to mitigate such conflicts upon discovery (*new Clearinghouse Rule I-9 – Conflicts of Interest*); (b) further define the fitness standards necessary for an individual to serve as a Board member or Officer of the Clearinghouse (*new Clearinghouse Rule I-8 – Board Eligibility*); and (c) delineate the proper and improper use of non-public information obtained in the regular course of business (*new Clearinghouse Rule I-10 – Restrictions on Certain Persons Who Possess Material, Non-Public Information*).

It should be understood that the number of members of the Board of Directors may change on a temporary basis if a member resigns during the member's term. In such an event, a replacement member will be appointed as soon as the General Partner is reasonably able to do so. The Board may continue to operate during this period so long as there is a quorum of Board members.

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: 10/1/2012

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: 10/1/2012

CANTOR CLEARINGHOUSE, L.P. RULES

GENERAL PROVISIONS

CHAPTER I DEFINITIONS

I-6. The Board of Directors

~~The Board has the power to manage and direct the Clearinghouse, including, but not limited to, the power to designate officers and other employees of the Clearinghouse, to define groups of people who may access the secure portions of the Clearinghouse's website, to enter into agreements on behalf of the Clearinghouse with third parties and adopt, amend or repeal these Rules, to oversee the business conduct of Participants, to impose penalties for violation of these Rules and to engage in any other activity permitted by these Rules.~~

(a) The business and affairs of the Clearinghouse shall be managed by the Board of Directors in accordance with the Cantor Clearinghouse, L.P. Operating Agreement and Applicable Law.

(b) The number of directors on the Board of Directors shall be seven, at least three of whom shall be Public Directors (or such other percentage of the Board of Directors as may be required by the CFTC Regulations, as amended from time to time, *provided* that the number of Public Directors shall be equal to no less than 35% of the entire Board of Directors). Any vote made by the Board of Directors that results in a tie will require that the Board of Directors reconvene to reconsider the matter until such tie is broken.

(c) The appointment of the members of the Board of Directors will be made by the General Partner. Cantor Fitzgerald, L.P., the sole member of the General Partner, shall make such appointments on behalf of the General Partner.

I-7....