

CANTOR FUTURES EXCHANGE, L.P.
CHAPTER IX
CONTRACTS

IX-1200 BRITISH POUND STERLING/YEN DIGITAL FLEX SWAPS CONTRACT

(a) Scope and Underlying

These Contract Rules will govern the trading on the Cantor Futures Exchange, L.P. (the “Exchange”) of the BRITISH POUND STERLING/YEN DIGITAL FLEX SWAPS CONTRACT (the “Contract”). Clearing of the Contract will be governed by the rules of the Cantor Clearinghouse, L.P. (the “Clearinghouse”). These Contract Rules are established pursuant to and constitute “Contract Rules” under Rule I-5 of the Rules of the Exchange and constitute “Contract Rules” Under Rule I-7 of the Rules of the Clearinghouse. Capitalized terms used, but not defined herein, have the meanings ascribed to them in the Rules of the Exchange or the Rules of the Clearinghouse, as applicable.

(b) Calculation of the British Pound Sterling/Yen Index

The British Pound Sterling/Yen Index will be calculated by the Exchange continuously taking the last eight bid and the last eight offer spot quotations for each British pound sterling/yen exchange rate received by the Exchange, then removing the two highest bids and two highest offers and removing the two lowest bids and two lowest offers received by the Exchange from recognized distributors of currency price information or dealable quotations from independent third-party spot market participants, then calculating the arithmetic mean of the remaining eight values and rounding to the third decimal place. Notwithstanding the above, the Exchange may determine the Index value, in its sole and absolute discretion, using the best available indicative spot British pound sterling/yen prices available from recognized distributors of currency price information.

(c) Trading Hours for the Contract

(i) Except as otherwise posted on the Exchange website, tradable contracts under the Contract will be open for trading Sunday 6:30 PM ET until Friday 4:00 PM ET. No trading in these contracts shall occur between the hours of 4:00 PM ET and 6:30 PM ET on any Exchange Trading Day.

(ii) Abbreviated holiday trading schedules may apply and will be posted on the Exchange website.

(d) First Time of Trading, Last Time of Trading for the Contract

(i) Tradable contracts under the Contract shall be listed for trading for each Exchange Trading Day except as otherwise published on the Exchange website and shall begin trading at 6:30 PM ET and shall cease trading at 4:00 PM ET on that Exchange Trading Day.

(ii) Tradable contracts under the Contract may also be listed in response to requests received by the Exchange from Participants. All such requests shall include the final settlement time and the strike price for the contract. Such contracts become tradable immediately upon listing by the Cantor Direct System, and remain tradable until the final settlement time.

(e) Final Settlement for the Contract

Each open position in tradable contracts under the Contract will be Cash Settled such that if at the final settlement time the British Pound Sterling/Yen Index is above the strike price then each purchaser shall be paid one dollar; if at final settlement time the British Pound Sterling/Yen Index is below the strike price, then each seller shall be paid one dollar; if at final settlement time the British Pound Sterling/Yen Index is equal to the strike price, then each purchaser and each seller shall receive fifty cents.

(f) Price Limits and Minimum Increment for the Contract

(i) There shall be no trading in tradable contracts under the Contract at more than one dollar.

(ii) The minimum trading increment of each tradable contract under the Contract is one cent.

(g) Contract Position Accountability Levels

The position accountability level shall be 10,000 net short or net long contracts combined in tradable contracts under the Contract.

(h) Original Margin for the Contract

(i) Original Margin shall be 100% of the at-risk amount for both buyers and sellers of tradable contracts under the Contract.

(ii) As required by rule IX-1200(h)(i), buyers of tradable contracts under the Contracts shall post the purchase price as Original Margin; sellers of tradable contracts under the Contracts shall post one dollar minus the sale price as Original Margin.