UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________to __________

Commission File Numbers: 0-28191, 1-35591

BGC Partners, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	**13-4063515** (I.R.S. Employer Identification No.)
499 Park Avenue, New York, NY (Address of Principal Executive Offices)	**10022** (Zip Code)

(212) 610-2200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Class A Common Stock, $0.01 par value	The NASDAQ Stock Market LLC
8.125% Senior Notes due 2042	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of voting common equity held by non-affiliates of the registrant, based upon the closing price of the Class A common stock on June 30, 2015 as reported on NASDAQ, was approximately $1,603,175,866.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 24, 2016
Class A Common Stock, par value $0.01 per share	**237,849,767 shares**
Class B Common Stock, par value $0.01 per share	**34,848,107 shares**

DOCUMENTS INCORPORATED BY REFERENCE.

Portions of the registrant's definitive proxy statement for its 2016 annual meeting of stockholders are incorporated by reference in Part III of this Annual Report on Form 10-K

BGC Partners, Inc.

2015 FORM 10-K ANNUAL REPORT

TABLE OF CONTENTS

SPECIAL NOTE ON FORWARD-LOOKING INFORMATION

This Annual Report on Form 10-K (this "Form 10-K") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, which we refer to as the "Securities Act," and Section 21E of the Securities Exchange Act of 1934, as amended, which we refer to as the "Exchange Act." Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as "may," "will," "should," "estimates," "predicts," "possible," "potential," "continue," "strategy," "believes," "anticipates," "plans," "expects," "intends," and similar expressions are intended to identify forward-looking statements.

Our actual results and the outcome and timing of certain events may differ significantly from the expectations discussed in the forward-looking statements. Factors that might cause or contribute to such a discrepancy include, but are not limited to, the factors set forth below and may impact either or both of our operating segments:

- market conditions, including trading volume and volatility, potential deterioration of equity and debt capital markets and markets for commercial real estate and related services, and our ability to access the capital markets;
- pricing, commissions and fees, and market position with respect to our products and services and those of our competitors;
- the effect of industry concentration and reorganization, reduction of customers, and consolidation;
- liquidity, regulatory, and clearing capital requirements and the impact of credit market events;
- our relationships with Cantor Fitzgerald, L.P. and its affiliates, which we refer to as "Cantor," including Cantor Fitzgerald & Co., which we refer to as "CF&Co," and Cantor Commercial Real Estate Company, L.P., which we refer to as "CCRE," any related conflicts of interest, any impact of Cantor's results on our credit ratings and/or the associated outlooks, any loans to or from us or Cantor, CF&Co's acting as our sales agent under our controlled equity or other offerings, CF&Co's acting as a market maker in our debt securities, CF&Co's acting as our financial advisor in connection with potential business combinations, dispositions, or other transactions, our participation in various investments, stock loans or cash management vehicles placed by or recommended by CF&Co, and any services provided by CCRE;
- economic or geopolitical conditions or uncertainties, the actions of governments or central banks, and the impact of natural disasters or weather-related or similar events, including power failures, communication and transportation disruptions, and other interruptions of utilities or other essential services;
- the effect on our businesses, our clients, the markets in which we operate, and the economy in general of possible shutdowns of the U.S. government, sequestrations, uncertainties regarding the debt ceiling and the federal budget, and other potential political impasses;
- the effect on our businesses of reductions in overall industry volumes in certain of our products as a result of central bank quantitative easing, interest rate changes, market volatility, and other factors;
- the effect on our businesses of worldwide governmental debt issuances, austerity programs, increases or decreases in deficits, and other changes to monetary policy, and potential political impasses or regulatory requirements, including increased capital requirements for banks and other institutions;
- extensive regulation of our businesses and customers, changes in regulations relating to financial services companies, commercial real estate and other industries, and risks relating to compliance matters, including regulatory examinations, inspections, investigations and enforcement actions, and any resulting costs, increased financial and capital requirements, enhanced oversight, fines, penalties, sanctions, and changes to or restrictions or limitations on specific activities, operations, compensatory arrangements, and growth opportunities, including acquisitions, hiring, and new businesses, products, or services;
- factors related to specific transactions or series of transactions, including credit, performance, and principal risk, trade failures, counterparty failures, and the impact of fraud and unauthorized trading;
- costs and expenses of developing, maintaining, and protecting our intellectual property, as well as employment and other litigation and their related costs, including judgments or settlements paid or received and the impact thereof on our financial results and cash flows in any given period;

- certain financial risks, including the possibility of future losses, reduced cash flows from operations, increased leverage and the need for short- or long-term borrowings, including from Cantor, or other sources of cash relating to acquisitions, dispositions, or other matters, potential liquidity and other risks relating to our ability to obtain financing or refinancing of existing debt on terms acceptable to us, if at all, and risks of the resulting leverage, including potentially causing a reduction in our credit ratings and/or the associated outlooks and increased borrowing costs, as well as interest rate and foreign currency exchange rate fluctuations;
- risks associated with the temporary or longer-term investment of our available cash, including defaults or impairments on our investments, stock loans or cash management vehicles and collectability of loan balances owed to us by partners, employees, or others;
- our ability to enter new markets or develop new products, trading desks, marketplaces, or services for existing or new customers and to induce such customers to use these products, trading desks, marketplaces, or services and to secure and maintain market share;
- our ability to enter into marketing and strategic alliances and business combinations or other transactions in the financial services, real estate, and other industries, including acquisitions, tender offers, dispositions, reorganizations, partnering opportunities and joint ventures, and our ability to maintain or develop relationships with independently owned offices in our real estate services business and our ability to grow in other geographic regions, the anticipated benefits of any such transactions, relationships or growth and the future impact of any such transactions, relationships or growth on our financial results for current or future periods, the integration of any completed acquisitions and the use of proceeds of any completed dispositions, and the value of and any hedging entered into in connection with consideration received or to be received in connection with such dispositions;
- our estimates or determinations of potential value with respect to various assets or portions of our businesses, including with respect to the accuracy of the assumptions or the valuation models or multiples used;
- our ability to hire and retain personnel, including brokers, salespeople, managers, and other professionals;
- our ability to expand the use of technology for hybrid and fully electronic trading in our product and service offerings;
- our ability to effectively manage any growth that may be achieved, while ensuring compliance with all applicable financial reporting, internal control, legal compliance, and regulatory requirements;
- our ability to identify and remediate any material weaknesses in our internal controls that could affect our ability to prepare financial statements and reports in a timely manner, control our policies, practices and procedures, operations and assets, assess and manage our operational, regulatory, and financial risks, and integrate our acquired businesses and brokers, salespeople, managers and other professionals;
- the effectiveness of our risk management policies and procedures, and the impact of unexpected market moves and similar events;
- information technology risks, including capacity constraints, failures, or disruptions in our systems or those of the clients, counterparties, exchanges, clearing facilities, or other parties with which we interact, including cybersecurity risks and incidents and regulatory focus;
- the fact that the prices at which shares of our Class A common stock are sold in one or more of our controlled equity offerings or in other offerings or other transactions may vary significantly, and purchasers of shares in such offerings or transactions, as well as existing stockholders, may suffer significant dilution if the price they paid for their shares is higher than the price paid by other purchasers in such offerings or transactions;
- our ability to meet expectations with respect to payments of dividends and distributions and repurchases of shares of our Class A common stock and purchases or redemptions of limited partnership interests of BGC Holdings, L.P., which we refer to as "BGC Holdings," or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners, and others, and the net proceeds to be realized by us from offerings of our shares of Class A common stock; and

- the effect on the market for and trading price of our Class A common stock of various offerings and other transactions, including our controlled equity and other offerings of our Class A common stock and convertible or exchangeable debt securities, our repurchases of shares of our Class A common stock and purchases of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, any exchanges by Cantor of shares of our Class A common stock for shares of our Class B common stock, any exchanges or redemptions of limited partnership units and issuances of shares of Class A common stock in connection therewith, including in partnership restructurings, our payment of dividends on our Class A common stock and distributions on BGC Holdings limited partnership interests, convertible arbitrage, hedging, and other transactions engaged in by holders of our 4.50% Convertible Notes and counterparties to our capped call transactions, share sales and stock pledge, stock loan, and other financing transactions by holders of our shares (including by Cantor or others), including of shares acquired pursuant to our employee benefit plans, unit exchanges and redemptions, partnership restructurings, acquisitions, conversions of our Class B common stock and our convertible notes, conversions or exchanges of our convertible or exchangeable debt securities, stock pledge, stock loan, or other financing transactions, and distributions from Cantor pursuant to Cantor's distribution rights obligations and other distributions to Cantor partners, including deferred distribution rights shares.

The foregoing risks and uncertainties, as well as those risks and uncertainties discussed under the headings "Item 1A—Risk Factors," and "Item 7A—Quantitative and Qualitative Disclosures About Market Risk" and elsewhere in this Form 10-K, may cause actual results and events to differ materially from the forward-looking statements. The information included herein is given as of the filing date of this Form 10-K with the Securities and Exchange Commission (the "SEC"), and future results or events could differ significantly from these forward-looking statements. The Company does not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the “SEC”). You may read and copy any document we file at the SEC’s Public Reference Room located at One Station Place, 100 F Street, N.E., Washington, D.C. 20549. You can also request copies of the documents, upon payment of a duplicating fee, by writing the Public Reference Section of the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. These filings are also available to the public from the SEC’s website at www.sec.gov.

Our website address is www.bgcpartners.com. Through our website, we make available, free of charge, the following documents as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC: our Annual Reports on Form 10-K; our proxy statements for our annual and special stockholder meetings; our Quarterly Reports on Form 10-Q; our Current Reports on Form 8-K; Forms 3, 4 and 5 and Schedules 13D filed on behalf of Cantor, CF Group Management, Inc. (“CFGM”), our directors and our executive officers; and amendments to those documents. Our website also contains additional information with respect to our industry and business. The information contained on, or that may be accessed through, our website is not part of, and is not incorporated into, this Annual Report on Form 10-K.

PART I

ITEM 1. BUSINESS

Throughout this document BGC Partners, Inc. is referred to as "BGC" and, together with its subsidiaries, as the "Company," "BGC Partners," "we," "us," or "our."

Our Business

We are a leading global brokerage company servicing the financial and real estate markets through our two segments, Financial Services and Real Estate Services. Through our brands, including BGC ® , GFI ® , and RP Martin™, among others, our Financial Services segment specializes in the brokerage of a broad range of products, including fixed income (rates and credit), foreign exchange, equities, energy and commodities, and futures. We also provide a wide range of services, including trade execution, broker-dealer services, clearing, processing, information, and other back-office services to a broad range of financial and non-financial institutions. Our integrated platform is designed to provide flexibility to customers with regard to price discovery, execution and processing of transactions, and enables them to use voice, hybrid, or in many markets, fully electronic brokerage services in connection with transactions executed either over-the-counter ("OTC") or through an exchange.

Through our FENICS ® , BGC Trader™, BGC Market Data, and Capitalab ® brands, we offer fully electronic brokerage, financial technology solutions, market data, post-trade services, and analytics related to select financial instruments and markets.

Newmark Grubb Knight Frank ("NGKF") is a full-service commercial real estate platform that comprises our Real Estate Services segment. Through NGKF, we offer commercial real estate tenants, owners, investors and developers a wide range of services, including leasing and corporate advisory, investment sales and real estate finance, consulting, project management, and property and facilities management.

On January 12, 2016, we announced that we had completed our merger with GFI Group Inc. ("GFI") and now own 100% of GFI's outstanding shares. On February 26, 2015, we successfully completed a tender offer to acquire shares of common stock, par value $0.01 per share, of GFI for $6.10 per share in cash and accepted for purchase 54.3 million shares (the "Tendered Shares") tendered to us pursuant to our offer (the "Offer"). The Tendered Shares, together with the 17.1 million Shares already owned by us, represented approximately 56% of the then-outstanding shares. On April 28, 2015, one of our subsidiaries purchased approximately 43.0 million newly issued shares of GFI's common stock, increasing our ownership in GFI to approximately 67.0%. GFI is a leading intermediary and provider of trading technologies and support services to the global OTC and listed markets. GFI serves more than 2,500 institutional clients in operating electronic and hybrid markets for cash and derivative products across multiple asset classes. For further details, see "Acquisition of GFI Group Inc."

Our customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers and investment firms. We have offices in dozens of major markets, including New York and London, as well as Atlanta, Beijing, Boston, Charlotte, Chicago, Copenhagen, Dallas, Denver, Dubai, Hong Kong, Houston, Istanbul, Johannesburg, Los Angeles, Mexico City, Miami, Moscow, Nyon, Paris, Philadelphia, Rio de Janeiro, San Francisco, Santa Clara, São Paulo, Seoul, Shanghai, Singapore, Sydney, Tokyo, Toronto, Washington, D.C. and Zurich, as well as over 50 other offices.

As of December 31, 2015, we had 3,855 brokers, salespeople, managers and other front-office personnel.

Table of Contents

Our History

The voice brokerage business within our Financial Services segment originates from one of the oldest and most established inter-dealer franchises in the financial intermediary industry. Cantor started our wholesale intermediary brokerage operations in 1972. In 1996, Cantor launched its eSpeed system, which revolutionized the way government bonds are traded in the inter-dealer market by providing a fully electronic trading marketplace. eSpeed, Inc. (“eSpeed”) completed an initial public offering in 1999 and began trading on NASDAQ, yet it remained one of Cantor’s controlled subsidiaries. Following eSpeed’s initial public offering, Cantor continued to operate its inter-dealer voice brokerage business separately from eSpeed. In August 2004, Cantor announced the reorganization and separation of its inter-dealer voice brokerage business into a subsidiary called “BGC,” in honor of B. Gerald Cantor, the pioneer in screen brokerage services and fixed income market data products. In April 2008, BGC and certain other Cantor assets merged with and into eSpeed, and the combined company began operating under the name “BGC Partners, Inc.” In June 2013, BGC sold certain assets relating to its U.S. Treasury benchmark business and the name “eSpeed” to NASDAQ, Inc. (“NASDAQ,” formerly The NASDAQ OMX Group, Inc.) (see “NASDAQ Transaction”).

Prior to the events of September11, 2001, our financial brokerage business was widely recognized as one of the leading full-service wholesale inter-dealer brokers in the world, with a rich history of developing innovative technological and financial solutions. After September 11, 2001 and the loss of the majority of our U.S.-based employees, our voice financial brokerage business operated primarily in Europe.

Since the formation of BGC in 2004, we have substantially rebuilt our U.S. presence and have continued to expand our global footprint through the acquisition and integration of established brokerage companies and the hiring of experienced brokers. Through these actions, we have been able to expand our presence in key markets and position our Financial Services business for sustained growth. Recent acquisitions include:

- October 2012—Various assets of North American municipal bond inter-dealer broker Wolfe & Hurst Bond Brokers, Inc.;
- December 2012—Acquisition of Ginalfi Finance, a Paris-based inter-dealer specializing in the intermediation of money market products, credit bonds, government bonds and swaps;
- February 2013—Acquisition of the business and certain assets of Sterling International Brokers Limited, a London-based financial brokerage firm specializing in Pound Sterling and other major currency transactions;
- February 2014—Acquisition of the assets of HEAT Energy Group, an independent energy brokerage company focused on regional power markets and natural gas swaps;
- May 2014—Acquisition of Remate Lince, a leading Mexican inter-dealer broker specializing in interest rate derivatives and bond brokerage;
- December 2014— Acquisition of the U.K. assets and subsidiaries of RP Martin Group, an inter-dealer brokerage firm specializing in European rates and foreign exchange products; and
- February 2015 — Acquisition of GFI. See “Acquisition of GFI Group Inc.”

Our Real Estate Services business was created through various acquisitions. Specifically, we have made the following acquisitions since 2011:

- October 2011—Acquisition of Newmark & Company Real Estate, Inc. and certain of its affiliates, a leading U.S. commercial real estate brokerage and advisory firm serving corporate and institutional clients (“Newmark”). Newmark is associated with London-based Knight Frank LLP;
- April 2012— Acquisition of substantially all of the assets of Grubb & Ellis Company and its direct and indirect subsidiaries, which we have integrated with Newmark, resulting in the Newmark Grubb Knight Frank brand;
- December 2012—Acquisition of a commercial real estate services firm, Denver-based Frederick Ross Company;
- December 2012—Acquisition of a commercial real estate services firm, Philadelphia-based Smith Mack;
- August 2014—Acquisition of a commercial real estate services firm, Northern California-based Cornish & Carey Commercial;
- December 2014 to June 2015—Acquisition of Apartment Realty Advisors and its members (collectively, “ARA”), a privately held, full-service investment brokerage network focusing exclusively on the multi-housing industry;
- May 2015—Acquisition of Computerized Facility Integration, LLC (“CFI”), a premier real estate strategic consulting and systems integration firm that provides corporate real estate, facilities management, and enterprise asset management information consulting and technology solutions;

- July 2015—Acquisition of Excess Space Retail Services, Inc. (“Excess Space”), a full service brokerage firm that focuses its business model around surplus real estate disposition and lease restructuring for retailers; and
- December 2015—Acquisitions of Steffner Commercial Real Estate, which operates as Newmark Grubb Memphis, a full-service commercial real estate advisory practice in the metropolitan Memphis region, and Cincinnati Commercial Real Estate, Inc., which provides services in office, industrial and retail leasing and investment sales.

Acquisition of GFI Group Inc.

On February 26, 2015, we successfully completed our tender offer to acquire shares of common stock, par value $0.01 per share, of GFI for $6.10 per share in cash and accepted for purchase 54.3 million shares tendered to us pursuant to the offer. The Tendered Shares, together with the 17.1 million Shares already owned by us, represented approximately 56% of the then outstanding shares of GFI. We issued payment for the Tendered Shares on March 4, 2015 in the aggregate amount of $331.1 million.

In connection with the tender offer, on February 19, 2015, we and one of our subsidiaries entered into a Tender Offer Agreement with GFI (the “TO Agreement”). Pursuant to the TO Agreement, the board of directors of GFI unanimously agreed to support our tender offer and to expand GFI’s board and our designation of certain members. The TO Agreement also contained provisions with respect to the terms and timing of the back-end mergers of Jersey Partners Inc. (“JPI”), a stockholder of GFI, and with us.

Pursuant to the TO Agreement, GFI’s then Executive Chairman, Michael Gooch, and its then Chief Executive Officer, Colin Heffron, remained as directors of GFI. Mr. Heffron entered into an amended and restated GFI employment agreement that continues to provide him with certain annual cash and equity compensation and severance arrangements. Mr. Gooch entered into a fixed-term employment agreement that provides him with certain cash and equity compensation. Pursuant to the TO Agreement, BGC has established a Distributable Earnings Bonus Pool (the “Pool”) program in an amount equal to one times the average annual distributable earnings (as defined) of the GFI inter-dealer brokerage business for the three successive 12-month periods beginning on July 1, 2015. The Pool is in the form of awards of restricted equity units and preferred restricted equity units of BGC Holdings, L.P and will be allocated 35% to Mr. Gooch, 35% to Mr. Heffron and 30% to other GFI employees as mutually agreed by Messrs. Gooch and Heffron and BGC. As a condition to participation in the Pool, each participant (including Messrs. Gooch and Heffron) has entered into a non-competition and award agreement containing the terms and conditions of his or her participation, which terms include the participant’s continued employment through July 1, 2018 and certain other conditions, obligations and covenants (including non-competition, non-solicitation, non-hire non-disclosure provisions).

On April 28, 2015, one of our subsidiaries purchased from GFI approximately 43.0 million new shares at that date’s closing price of $5.81 per share, for an aggregate purchase price of $250 million. The purchase price was paid to GFI in the form of a note due on June 19, 2018 that bears an interest rate of LIBOR plus 200 basis points (the “GFI Note”). Following the issuance of such new shares, we owned approximately 67% of GFI’s then-outstanding common stock.

On August 24, 2015, GFI, Messrs. Gooch and Heffron; JPI; CME Group, Inc. (“CME”), the former members of the GFI Special Committee, BGC; and certain other former officers and affiliates of GFI entered into a memorandum of understanding (the “MOU”) with regard to a preliminary settlement (the “Settlement”) of the consolidated class action case pending against GFI in the State of Delaware (the “Consolidated Delaware Action”). Neither GFI nor BGC contributed any funds to the Settlement, which will be paid from a combination of insurance proceeds and payments by JPI and Messrs. Gooch and Heffron. The Settlement provides for a settlement fund of $10.75 million for the class of GFI stockholders in the Consolidated Delaware Action and payment of attorneys’ fees and costs to plaintiffs’ counsel in an amount to be established by negotiation, mediation or a fee application to the Court. The final Settlement will also require approval of the Court. In connection with the Settlement, on October 6, 2015, we advanced $10.75 million to JPI in return for a promissory note (the “JPI Note”). The JPI Note bore interest at the rate of 5.375% per annum and was secured by two million shares of GFI common stock owned by JPI. The JPI Note was repaid on the date of the Back-End Mergers. In the MOU, the CME agreed to terminate the restriction prohibiting former executive officers of GFI, JPI and certain other stockholders and affiliates of GFI from supporting the Back-End Mergers. In connection with the Settlement, Messrs. Gooch and Heffron, JPI, BGC and GFI entered into a separate agreement providing for certain matters relating to the merger of BGC and GFI and allocating certain responsibilities and advancing certain payments (the “Settlement Letter”).The Settlement Letter also included the following agreements: (i) payment of the plaintiffs’ attorneys’ fees and costs in the Consolidated Delaware Action first from insurance proceeds, with any excess to be paid by Messrs. Gooch and Heffron; (ii) indemnification by Messrs. Gooch and Heffron with respect to liabilities and expenses in the Consolidated Delaware Action and other cases related to breach of fiduciary duty or other causes of action, the CME Merger Agreement, insurance claims and the tender offer to the extent not covered by insurance; and (iii) indemnification by Mr. Gooch with respect to liabilities and expenses in connection with the remaining New York class action case that are not otherwise covered by insurance.

On December 22, 2015, BGC, JPI, New JP Inc. (“New JPI”), Mr. Gooch, Mr. Heffron, and certain subsidiaries of JPI and BGC entered into a merger agreement providing for the acquisition of JPI by BGC (the “Merger Agreement”).

On January 12, 2016, the JPI merger (the “JPI Merger”) was closed. Shortly following the completion of the JPI Merger, a subsidiary of BGC merged with and into GFI pursuant to a short-form merger under Delaware law, with GFI continuing as the surviving entity (the “GFI Merger” and, together with the JPI Merger, the “Back-End Mergers”). The Back-End Mergers allowed BGC to acquire the remaining approximately 33 percent of the outstanding shares of GFI common stock that BGC did not already own. Following the closing of the Back-End Mergers, BGC and its affiliates now own 100 percent of the outstanding shares of GFI’s common stock.

Under the terms of the Merger Agreement, certain subsidiaries of BGC merged with and into a subsidiary of New JPI, resulting in BGC owning all of the shares of GFI common stock previously owned by JPI. In the JPI Merger, each holder of JPI common stock, other than Messrs. Gooch and Heffron, received per JPI share held an amount equal to (a) $6.10 multiplied by the number of GFI shares held by JPI, less the principal plus accrued interest on the $10.75 million note issued by JPI to BGC on October 6, 2015, divided by (b) the number of outstanding shares of New JPI common stock. This amount was paid 30 percent in cash and 70 percent in shares of BGC Class A common stock, valued at a price of $9.46 per share of BGC Class A common stock, which was the closing price of BGC Class A common stock on the day prior to the date of the TO Agreement. Messrs. Gooch and Heffron received the same amount per JPI share held, subject to certain adjustments, but were paid 100 percent in shares of BGC Class A common stock.

In the GFI Merger, each of the remaining outstanding shares of GFI common stock, other than those held by BGC and its subsidiaries, were converted into the right to receive an amount in cash equal to $6.10 per GFI share. Following the closing of the Back-End Mergers, we now own 100% of the shares.

In total, approximately 23.5 million shares of BGC Class A common stock and $111.3 million in cash are expected to have been issued or paid with respect to the closing of the Back-End Mergers, inclusive of adjustments. The total purchase consideration for all shares of GFI purchased by BGC is expected to be $750.5 million, net of the $250.0 million GFI Note, which is eliminated in consolidation. This figure excludes the $29.0 million gain recorded in the first quarter of 2015 with respect to the appreciation of the 17.1 million shares of GFI held by BGC prior to the successful completion of the tender offer. Including this gain, the calculation of purchase consideration and noncontrolling interest totaled $779.5 million.

As a condition to closing, Messrs. Gooch and Heffron resigned as directors of the board of directors of GFI. Mr. Gooch retains the titles of Vice Chairman of BGC Partners, L.P. and Chairman of the GFI Division, while Mr. Heffron continues to be the CEO of the GFI Division.

Trayport Transaction

On December 11, 2015, certain of our indirect subsidiaries (the “Sellers”) completed the sale (the “Trayport Transaction”) of all of the equity interests in the entities that made up the Trayport business (the “Trayport Business”) to Intercontinental Stock Exchange, Inc. (“ICE”). The Trayport Business was GFI’s European electronic energy software business. The Trayport Transaction occurred pursuant to a Stock Purchase Agreement, dated as of November 15, 2015, by and among the Sellers, ICE, and for certain purposes, us and GFI (the “Trayport Purchase Agreement”). At the closing, the Sellers received 2,527,658 shares of ICE common stock.

Concurrent with the closing, the parties executed certain ancillary agreements, including a transition services agreement, a registration rights agreement with respect to the ICE common stock issued to the Sellers, and an amendment and restatement of the existing Framework Agreement dated September 10, 2015 by and among us, Trayport Limited, and certain affiliates. The amended Framework Agreement has a 10 year term, provides us and our affiliates with a license to use Trayport’s patents, the right to receive contractual terms that are no less favorable than the ones provided by the Trayport Business to another party, provides a framework for the commercial arrangements between us and the Trayport Business and contains certain restrictions on the assignment of such agreement by GFI, us and each of our affiliates to certain enumerated exchanges and competitors of ICE. The Sellers further agreed in the Trayport Purchase Agreement that they will not, subject to certain exceptions, compete with the Trayport Business for two years after closing.

NASDAQ Transaction

On June 28, 2013, we completed the sale (the “NASDAQ Transaction”) of certain assets to NASDAQ. At the closing, NASDAQ purchased certain assets and assumed certain liabilities from us and our affiliates, including the eSpeed brand name and various assets comprising the fully electronic portion of our benchmark on-the-run U.S. Treasury brokerage, market data and co-location service businesses (the “Purchased Assets”), for cash consideration of $750 million paid at closing, plus an earn-out of up to 14,883,705 shares of NASDAQ common stock to be paid ratably in each of the fifteen years following the closing. The $750 million in cash paid at closing was subject to adjustment for certain pre-paid amounts and accrued costs and expenses, and the 14,883,705 shares of NASDAQ common stock will be paid ratably in each of the fifteen years following the closing in which the consolidated gross revenue of NASDAQ, as a whole, is equal to or greater than $25 million. On each of November 12, 2013, November 10, 2014 and November 9, 2015, we received 992,247 shares of NASDAQ common stock in accordance with the agreement. The contingent future issuances of NASDAQ common stock are also subject to acceleration upon the occurrence of certain events, including the acquisition by any person of 50% or more of NASDAQ’s stock (including by merger), NASDAQ ceasing to hold Purchased Assets representing 50% or more of the aggregate revenue attributable to the Purchased Assets as of the closing, and the sale of all or substantially all of NASDAQ’s assets, as well as to certain anti-dilution provisions.

As a result of the NASDAQ Transaction, we only sold our on-the-run, benchmark 2-, 3-, 5-, 7-, 10-, and 30-year fully electronic trading platform for U.S. Treasury notes and bonds. Over time, we had built these six instruments into some of the deepest and most liquid markets in the world. This platform, together with the directly related market data and co-location businesses, generated approximately $99 million in revenues in 2012 and $48.6 million in revenues in the first six months of 2013. We retained all of our other voice, hybrid, and fully electronic trading, market data, and software businesses, including voice, hybrid and electronic brokerage of off-the-run U.S. Treasuries, as well as Treasury Bills, Treasury Swaps, Treasury Repos, Treasury Spreads, and Treasury Rolls. We also continue to offer voice brokerage for on-the-run U.S. Treasuries.

Overview of Our Products and Services

Financial Services

Financial Brokerage

We are focused on serving three principal financial brokerage markets:

- traditional, liquid brokerage markets, such as government bonds;
- illiquid markets, such as emerging market bonds and single name credit derivatives; and
- targeted local markets throughout the world, such as rates products in Brazil.

We provide electronic marketplaces in several financial markets through various products and services, including FENICS, BGC Trader, and several multi-asset hybrid offerings for voice and electronic execution, including BGC's Volume Match and GFI's CreditMatch. These electronic marketplaces include government bond markets, interest rate derivatives, spot foreign exchange, foreign exchange derivatives, corporate bonds, and credit derivatives. We believe that we offer a comprehensive application providing volume, access, speed of execution and ease of use. Our trading platform establishes a direct link between our brokers and customers and occupies valuable real estate on traders' desktop, which is difficult to replicate. We believe that we can leverage our platform to offer fully electronic trading as additional products transition from voice and hybrid trading to fully electronic execution.

We have leveraged our hybrid platform to provide real-time product and pricing information through applications such as BGC Trader. We also provide straight-through processing to our customers for an increasing number of products. Our end-to-end solution includes real-time and auction-based transaction processing, credit and risk management tools and back-end processing and billing systems. Customers can access our trading application through our privately managed global high speed data network, over the Internet, or through third-party communication networks.

The following table identifies some of the key Financial Services products that we broker:

Rates	Interest rate derivatives Off-the-run U.S. Treasuries Global government bonds Agencies Futures Dollar derivatives Repurchase agreements Non-deliverable swaps Interest rate swaps and options
Credit	Credit derivatives Asset-backed securities Convertibles Corporate bonds High yield bonds Emerging market bonds
Foreign Exchange	Foreign exchange options G-10 Emerging markets Cross currencies Exotic options Spot FX Emerging market FX options Non-deliverable forwards
Energy and Commodities (OTC and listed derivatives)	Electricity Natural Gas Coal Base and precious metals Refined and crude oil Emissions Soft commodities
Equities and Other	Equity derivatives Cash equities Index futures Other derivatives and futures

Certain categories of trades settle for clearing purposes with CF&Co, one of our affiliates. CF&Co is a member of the Financial Industry Regulatory Authority ("FINRA") and the Fixed Income Clearing Corporation ("FICC"), a subsidiary of the Depository Trust & Clearing Corporation. We, CF&Co and other affiliates participate in off-the-run U.S. Treasuries as well as other markets by posting quotations for our respective accounts and by acting as principal. Such activity is intended, among other things, to assist us, CF&Co and our affiliates in managing proprietary positions (including, but not limited to, those established as a result of combination trades and errors), facilitating transactions, framing markets, adding liquidity, increasing commissions and attracting order flow.

Market Data

BGC Market Data is a supplier of real-time, tradable, indicative, end-of-day and historical market data. Our market data product suite includes fixed income, interest rate derivatives, credit derivatives, foreign exchange, foreign exchange options, money markets, energy and equity derivatives and structured market data products and services. It is made available to financial professionals, research analysts and other market participants via direct data feeds and BGC-hosted FTP environments, as well as via information vendors such as Bloomberg, Thomson Reuters, Interactive Data Corporation and other select specialist vendors.

Software Solutions

Through our Software Solutions business, we provide customized screen-based market solutions to both related and unrelated parties. Our clients are able to develop a marketplace, trade with their customers, issue debt, access program trading interfaces and access our network and our intellectual property. We can add advanced functionality to enable our customers to distribute branded products to their customers through online offerings and auctions, including private and reverse auctions, via our trading platform and global network.

We offer an FX price discovery, pricing analysis, risk management and trading software used by nearly 2,000 users globally at mid-tier banks, financial institutions and corporate clients. We also offer post-trade services through our Capitalab brand.

Our Software Solutions business provides the software and technology infrastructure for the transactional and technology related elements of the Freedom International Brokerage Company ("Freedom") marketplace as well as certain other services in exchange for specified percentages of transaction revenue from the marketplace. Our Software Solutions revenues from February 27, 2015 through December 11, 2015, included results from GFI's Trayport Business, which was sold to ICE as described above.

Aqua Business

In October 2007, we spun off our former eSpeed Equities Direct business to form Aqua Securities, L.P. ("Aqua"), a business owned 51% by Cantor and 49% by us. Aqua's purpose is to provide access to new block trading liquidity in the equities markets. The SEC has granted approval for Aqua to operate an Alternative Trading System in compliance with Regulation ATS.

Real Estate Services

Throughout this Form 10-K, we refer to our Real Estate Services business and to NGKF interchangeably. NGKF was formed through the acquisition of Newmark & Company Real Estate, Inc. and certain of its affiliates in October 2011 and the purchase of substantially all of the assets of Grubb & Ellis Company in April 2012. NGKF is a full-service commercial real estate platform that comprises our Real Estate Services segment, offering commercial real estate tenants, owners, investors and developers a wide range of services, including leasing and corporate advisory, investment sales and financial services, consulting, project management, and property and facilities management.

As of December 31, 2015, we owned and operated over 90 offices in the U.S. We generate revenues from commissions on real estate transactions, management fees on a contractual and per project basis and consulting fees.

We also have agreements in place to operate on a collaborative and cross-referral basis with certain independently owned offices in the United States and elsewhere in the Americas in return for contractual and referral fees paid to us and/or certain mutually beneficial co-branding and other business arrangements. These independently owned offices generally use some variation of Newmark's branding in their names and marketing materials. These agreements are normally multi-year contracts, and generally provide for mutual referrals in their respective markets, generating additional contract and brokerage fees. Through these independently-owned offices, our clients have access to additional brokers with local market research capabilities as well as other commercial real estate services in locations where our Real Estate Services business does not have a physical presence.

Outside of the Americas, we are associated with London-based Knight Frank LLP ("Knight Frank"), which operates on a similar collaborative and cross-referral basis. Knight Frank is a leading independent, global real estate consultancy firm providing integrated prime and commercial real estate services, operating in over 250 key office hubs across Europe, the Middle East, Asia, Australia and Africa.

NGKF operates under its own brand name as well as variations, such as Newmark Cornish & Carey and ARA, a Newmark Company, in select markets and service lines. NGKF has consistently won a number of U.S. industry awards and accolades in recognition of its performance and achievements. These include:

- Ranked #3 Top Brokerage Firm, National Real Estate Investor, 2015;
- Ranked #1 Tenant Representation, New York Law Journal, 2015; also Ranked #3 Best Realty Services Provider and # 3 Best Commercial Real Estate Property Management Firm, New York Law Journal, 2015;
- Ranked #3 Top Brokerage Firm, Commercial Property Executive, 2015;
- Ranked #3 Top Brokers of Multihousing Properties, ARA, A Newmark Company, Real Estate Alert, First Half 2015;
- Ranked #3 New York's Largest Commercial Property Managers, Crain's New York Business, 2015;
- Ranked Top 100 Global Outsourcing Firms, International Association of Outsourcing Professionals, 2015;
- Ranked #1 Commercial Real Estate Firms, Newmark Cornish & Carey, Silicon Valley Business Journal, 2015; and
- Ranked Top 10 in Sales Volume, Real Capital Analytics Survey, 2015.

Real Estate Brokerage and Transaction Services

Our brokerage sales professionals assist in the purchase, sale and leasing of property on behalf of users, owners, investors and developers of commercial real estate. With a comprehensive approach to transactions, we offer a full suite of services to clients, from site selection and sale negotiations to needs analysis, occupancy projections, prospect qualification, pricing recommendations, long-term value consultation, tenant representation and consulting services. We believe that we offer the strategic consulting, analysis and resources clients need to assign value to an initiative and make informed decisions that enhance financial outcomes and corporate performance, for purposes of acquisition, disposition, potential use, retention, redevelopment, mortgage, income tax, or litigation. Assignments have included office buildings, regional malls, shopping centers, free-standing retail, industrial facilities, apartment projects, master-planned communities, land, air rights, schools and universities, new developments, hospitals and medical centers, hotels, historic landmarks, transportation stations, sports arenas and a variety of other special-use properties.

We offer a diverse range of real estate brokerage and transactional services, including:

- Tenant Representation. We represent tenants in the office, industrial, retail, data center, healthcare and hospitality sectors. Tenant representation services include space acquisition and disposition, strategic planning, site selection, financial and market analysis, economic incentives analysis, lease negotiations, lease auditing and project management.
- Owner Representation . We represent both owners and investors. Services include agency leasing, property assessment, prospecting/canvassing, marketing and repositioning strategy, financial analysis, lease negotiation and tenant retention.
- Investment Sales and Capital Markets . We provide clients with strategic solutions to their real estate capital concerns. NGKF offers a broad range of real estate capital markets services, including investment sales and access to providers of debt and equity financing. Representing buyers and sellers, we provide access to a broad range of services, including asset sales, sale leasebacks, asset management, valuation, mortgage and entity-level financing and due diligence. The transactions we broker involve vacant land, new real estate developments and existing buildings. NGKF specializes in arranging equity or debt for most types of value-added commercial real estate, including land, condominium, conversions, subdivisions, office, retail, industrial, multifamily, student housing, hotels, data center, healthcare, self-storage and special use.
- Valuation Services . Our Landauer Valuation & Advisory division is a leader in valuation and advisory services, having provided quality insight into client real estate assets for more than 75 years. Headquartered in New York with offices nationwide, the Landauer team has executed projects of nearly every size and type—from a single property to large portfolios, existing and proposed facilities, and mixed-use developments valued as high as in the billions of dollars.

Real Estate Management Services

Through our NGKF brand, we have the ability to provide commercial property and facility management services to tenants, owners and landlords. We offer a diverse range of management services to clients, many of whom also use our real estate brokerage services, including:

- Property and Facilities Management. NGKF manages a broad range of properties, including headquarters, facilities and office space, for a broad cross section of companies, including Fortune 500 and Forbes Global 2000 companies. We manage the day-to-day operations and maintenance for urban and suburban commercial properties of most types, including office, industrial, data centers, healthcare, retail, call centers, urban towers, suburban campuses, and landmark buildings. Property management services include building operations and maintenance, leasing, vendor and contract negotiation, project oversight and value engineering, labor relations, property inspection/quality control, property accounting and financial reporting, cash flow analysis, financial modeling, lease administration, due diligence, and exit strategies. Facilities management services also include facility audits and reviews, energy management services, janitorial services, mechanical services, bill payment, maintenance, project management, and moving management. As of December 31, 2015, NGKF-owned offices managed approximately 155 million square feet.
- Global Corporate Services. NGKF provides what we believe are comprehensive, beginning-to-end corporate services solutions for clients. We thoroughly assess clients' business objectives and long-term goals, and then implement real estate and operational strategies designed to reduce costs and increase flexibility and profitability for clients regarding their real estate needs. Services include brokerage services, account management, transition management, lease administration, operations consulting, transaction management, financial integration, project management, portfolio strategy, location strategy and optimization, workplace strategies, workflow and business process improvement, operations and industrial consulting, and facilities management. Our real estate business utilizes a variety of proprietary technology tools to facilitate provision of transaction and management services to our clients. For example, our global corporate services professionals utilize our proprietary NGKF Vision Tool, which provides data integration, analysis and reporting, as well as the capability to analyze potential "what if" scenarios to support client decision-making. Our proprietary NGKF Analytics solution integrates data from client HR and ERP systems, government, Internet sources and NGKF internal databases to support our professionals in providing information analysis and insight to clients in managing their portfolios. Through our Computerized Facility Integration business ("CFI"), we offer real estate strategic consulting and systems integration services. CFI's global clients include many Forbes 2000 companies, owner-occupiers, government agencies, healthcare, and higher education clients. CFI provides corporate real estate, facilities management, enterprise asset management information consulting, and technology solutions that we believe yield hundreds of millions of dollars in cost-savings for its client base on an annual basis.

Customers

In Financial Services, we primarily serve the wholesale and/or inter-dealer markets, including many of the world's largest banks that regularly trade in capital markets, brokerage houses, investment firms, hedge funds, and investment banks. Customers using our branded products and services also include professional trading firms, futures commission merchants and other professional market participants and financial institutions. Our market data products and services are available through many platforms and are available to a wide variety of capital market participants, including banks, investment banks, brokerage firms, asset managers, hedge funds, investment analysts and financial advisors. We also license our intellectual property portfolio and Software Solutions to various financial markets participants. For the year ended December 31, 2015, our top ten Financial Services customers, collectively, accounted for approximately 16.4% of our total revenue on a consolidated basis, and our largest customer accounted for approximately 2.0% of our total revenue on a consolidated basis.

In our Real Estate Services segment, our customers include a full range of real estate owners, tenants, investors, lenders and multi-national corporations in the markets we serve. For the year ended December 31, 2015, our top ten Real Estate Services customers, collectively, accounted for approximately 2.9% of our total revenue on a consolidated basis, and our largest customer accounted for approximately 0.6% of our total revenue on a consolidated basis.

Sales and Marketing

Financial Services

In our Financial Services segment, our brokers and salespeople are the primary marketing and sales resources to our customers. Thus, our sales and marketing program is aimed at enhancing the ability of our brokers to cross-sell effectively in addition to informing our customers about our product and service offerings. We also employ product teams and business development professionals. We leverage our customer relationships through a variety of direct marketing and sales initiatives and build and enhance our brand image through marketing and communications campaigns targeted at a diverse audience, including traders, potential partners and the investor and media communities. We may also market to our existing and prospective customers through a variety of co-marketing/co-branding initiatives with our partners.

Our brokerage product team is composed of product managers who are each responsible for a specific part of our brokerage business. The product managers seek to ensure that our brokers, across all regions, have access to technical expertise, support and multiple execution methods in order to grow and market their business. This approach of combining marketing with our product and service strategy has enabled us to turn innovative ideas into both deliverable fully electronic and hybrid solutions, such as BGC Trader, our multi-asset hybrid offering to our customers for voice and electronic execution.

Our team of business development professionals is responsible for growing our global footprint through raising awareness of our products and services. The business development team markets our products and services to new and existing customers. As part of this process, they analyze existing levels of business with these entities in order to identify potential areas of growth and also to cross-sell our multiple offerings.

Our market data, software solutions, and post-trade products and services are promoted to our existing and prospective customers through a combination of sales, marketing and co-marketing campaigns.

Real Estate Services

Sales and marketing efforts for our Real Estate Services business occur on several interrelated levels. Our Real Estate Services marketing team seeks to develop the NGKF brand and to highlight its expansive platform while reinforcing NGKF's position as a leading commercial real estate services firm in the U.S. This is accomplished through media relations, industry sponsorships, and sales collateral and targeted advertising in trade and business publications. We believe that an emphasis on our Real Estate Services businesses' unique capabilities and specialty groups, such as Capital Markets, Office, Retail, Industrial, Healthcare, Hospitality and Global Corporate Services, enables us to demonstrate our strengths and differentiate ourselves from our competitors. These multi-market business groups provide customized collateral, website and technology solutions that address specific client needs. On a local level, NGKF offices (including those owned by us and independently-owned offices) have access to tools and templates that arm NGKF sales professionals with the market knowledge we believe is necessary to educate and advise clients, and also to bring properties to market quickly and effectively. This includes proprietary research and analyses, web-based marketing systems, and ongoing communications and training about the firm's depth and breadth of services. Our Real Estate Services business provides marketing services and materials to certain independently owned offices as part of their overall agreement allowing them to use NGKF's branding. We also benefit from shared referrals and materials from local offices.

Technology

Financial Services Technology

Pre-Trade Technology. Our financial brokers use a suite of pricing and analytical tools that have been developed both in-house and in cooperation with specialist software suppliers. The pre-trade software suite combines proprietary market data, pricing and calculation libraries, together with those outsourced from what we believe to be the best-of-breed providers in the sector. The tools in turn publish to a normalized, global market data distribution platform, allowing prices and rates to be distributed to our proprietary network, data vendor pages, secure websites and trading applications as indicative pricing.

Inter-Dealer and Wholesale Trading Technology. We utilize a sophisticated proprietary electronic trading platform to provide execution and market data services to our customers. The services are available through our proprietary API, FIX and a multi-asset proprietary trading platform, operating under names including BGC Trader, CreditMatch and FENICS. This platform presently supports a wide and constantly expanding range of products and services, which includes FX Options, European corporate bonds, European CDS, interest rate swaps in multiple currencies, US REPO, TIPS, MBS, and other products. Every product on the platform is supported in either view-only, hybrid/managed or fully electronic mode, and can be transitioned from one mode to the next in response to market demands. The flexible BGC technology stack is designed to support feature-rich workflows required by the hybrid mode as well as delivering high throughput and low transaction latency required by the fully-electronic mode. Trades executed by our customers in any mode are eligible for immediate electronic confirmation through direct straight-through processing (“STP”) links as well as STP hubs. The BGC trading platform services are operated out of several globally distributed data centers and delivered to customers over BGC’s global private network, third-party connectivity providers as well as the Internet. BGC’s proprietary graphical user interfaces and the API/FIX connectivity are deployed at hundreds of major banks and institutions and service thousands of users.

Post-Trade Technology. Our platform automates previously paper and telephone-based transaction processing, confirmation and other functions, substantially improving and reducing the cost of many of our customers’ back offices and enabling STP. In addition to our own system, confirmation and trade processing is also available through third-party hubs, including Swapswire, T-Zero, Reuters RTNS, Logicscope and STP in FIX for various banks.

We have electronic connections to most mainstream clearinghouses, including The Depository Trust & Clearing Corporation (“DTCC”), CLS Group, Euroclear, Clearstream, Monte Titoli, LCH.Clearnet, Eurex Clearing, CME Clearing and the Options Clearing Corporation (“OCC”). As more products become centrally cleared, and as our customers request that we use a particular venue, we expect to expand the number of clearinghouses to which we connect in the future.

Systems Architecture. Our systems consist of layered components, which provide matching, credit management, market data distribution, position reporting, customer display and customer integration. The private network currently operates from three concurrent core data centers (two of which are in London and one of which is in Trumbull, Connecticut) and six hub cities throughout the world acting as distribution points for all private network customers. After June 2015, we transferred the Rochelle Park data center to a co-location center in Weehawken, New Jersey. Our network hubs beyond the core data centers are in Chicago, Hong Kong, São Paolo, Singapore, Tokyo and Toronto. The redundant structure of our system provides multiple backup paths and re-routing of data transmission in the event of failure.

In addition to our own network system, we also receive and distribute secure trading information from customers using the services of multiple, major Internet service providers throughout the world. These connections enable us to offer our products and services via the Internet to our global customers.

Software Development

We devote substantial efforts to the development and improvement of our hybrid and electronic marketplaces and licensed software products and services. We work with our customers to identify their specific requirements and make modifications to our software, network distribution systems and technologies that are responsive to those needs. Our efforts focus on internal development, strategic partnering, acquisitions and licensing. As of December 31, 2015, we employed over 400 technology professionals.

Our Intellectual Property

We have adopted a comprehensive intellectual property program to protect our proprietary technology. We currently have licenses covering various Cantor patents in the United States, including patents relating to (i) a system and method for auction-based trading of specialized items such as fixed income instruments and (ii) a fixed income portfolio index processor. Foreign counterpart applications for some of these U.S. patents have been filed.

We also have agreements to license technology that may be covered by several pending and/or issued U.S. patent applications relating to various aspects of our electronic trading systems, including both functional and design aspects. We have filed a number of patent applications to further protect our proprietary technology and innovations, and have received patents for some of those applications.

Our patent portfolio is growing and consists of numerous patents and patent applications relating to our core businesses and to other businesses. We continue to look for opportunities to license and/or otherwise monetize these and other patents in our portfolio.

Credit Risk

Credit risk arises from potential non-performance by counterparties and customers. We have established policies and procedures to manage our exposure to credit risk. We maintain a thorough credit approval process to limit exposure to counterparty risk and employ stringent monitoring to control the counterparty risk from our matched principal and agency businesses. Our account opening and counterparty approval process includes verification of key customer identification, anti-money laundering verification checks and a credit review of financial and operating data. The credit review process includes establishing an internal credit rating and any other information deemed necessary to make an informed credit decision, which may include correspondence, due diligence calls and a visit to the entity's premises, as necessary.

Credit approval is granted subject to certain trading limits and may be subject to additional conditions, such as the receipt of collateral or other credit support. Ongoing credit monitoring procedures include reviewing periodic financial statements and publicly available information on the client and collecting data from credit rating agencies, where available, to assess the ongoing financial condition of the client.

Principal Transaction Risk

Through our subsidiaries, we execute matched principal transactions in which we act as a "middleman" by serving as counterparty to both a buyer and a seller in matching back-to-back trades. These transactions are then settled through a recognized settlement system or third-party clearing organization. Settlement typically occurs within one to three business days after the trade date. Cash settlement of the transaction occurs upon receipt or delivery of the underlying instrument that was traded. We generally avoid settlement of principal transactions on a free-of-payment basis or by physical delivery of the underlying instrument. However, free-of-payment transactions may occur on a very limited basis.

The number of matched principal trades we execute has continued to grow as compared to prior years. Receivables from broker-dealers and clearing organizations and payables to broker-dealers and clearing organizations on our consolidated statements of financial condition primarily represent the simultaneous purchase and sale of the securities associated with those matched principal transactions that have not settled as of their stated settlement dates. Our experience has been that substantially all of these transactions ultimately settle at the contracted amounts.

Market Risk

Market risk refers to the risk that a change in the level of one or more market prices, rates, indices or other factors will result in losses for a specified position. In our Financial Services business, we may allow certain of our desks to enter into unmatched principal transactions in the ordinary course of business and hold long and short inventory positions. These transactions are primarily for the purpose of managing proprietary positions, facilitating clients' execution needs, adding liquidity to a market or attracting additional order flow. As a result, we may have market risk exposure on these transactions. Our exposure varies based on the size of our overall positions, the risk characteristics of the instruments held and the amount of time the positions are held before they are disposed of. We have limited ability to track our exposure to market risk and unmatched positions on an intra-day basis; however, we attempt to mitigate market risk on these positions by strict risk limits, extremely limited holding periods and hedging our exposure. These positions are intended to be held short term to facilitate customer transactions. However, due to a number of factors, including the nature of the position and access to the market on which it trades, we may not be able to unwind the position and we may be forced to hold the position for a longer period than anticipated. All positions held longer than intra-day are marked to market.

We also have investments in marketable equity securities, which are publicly traded, and which had a fair value of $650.4 million as of December 31, 2015. These include the shares of common stock of NASDAQ that we received in exchange for a portion of our electronic benchmark Treasury platform and the shares of the common stock of ICE that we received in exchange for Trayport. Investments in marketable securities carry a degree of risk, as there can be no assurance that the marketable securities will not lose value and, in general, securities markets can be volatile and unpredictable. As a result of these different market risks, our holdings of marketable securities could be materially and adversely affected. We seek to minimize the effect of price changes on a portion of our investments in marketable securities through the use of derivative contracts. However, there can be no assurance that our hedging activities will be adequate to protect us against price risks associated with our investments in marketable securities. See Note 10—"Marketable Securities" and Note 12—"Derivatives" to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information regarding these investments and related hedging activities.

Our risk management procedures and strict limits are designed to monitor and limit the risk of unintended loss and have been effective in the past. However, there is no assurance that these procedures and limits will be effective at limiting unanticipated losses in the future. Adverse movements in the securities positions or a downturn or disruption in the markets for these positions could result in a substantial loss. In addition, principal gains and losses resulting from these positions could on occasion have a disproportionate effect, positive or negative, on our consolidated financial condition and results of operations for any particular reporting period.

Operational Risk

Our Financial Services businesses are highly dependent on our ability to process a large number of transactions across numerous and diverse markets in many currencies on a daily basis. If any of our data processing systems does not operate properly or is disabled or if there are other shortcomings or failures in our internal processes, people or systems, we could suffer impairment to our liquidity, financial loss, a disruption of our businesses, liability to clients, regulatory intervention or reputational damage. These systems may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services or our inability to occupy one or more of our buildings. The inability of our systems to accommodate an increasing volume of transactions could also constrain our ability to expand our businesses.

In addition, despite our contingency plans, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the communities in which they are located. This may include a disruption involving electrical, communications, transportation or other services used by us or third parties with whom we conduct business.

Further, our operations rely on the secure processing, storage and transmission of confidential and other information on our computer systems and networks. Although we take protective measures such as software programs, firewalls and similar technology to maintain the confidentiality, integrity and availability of our and our clients' information, the nature of the threats continue to evolve. As a result, our computer systems, software and networks may be vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability or disruption of service, computer viruses, acts of vandalism, or other malicious code, cyber-attacks and other events that could have an adverse security impact. There have also been an increasing number of malicious cyber incidents in recent years in various industries, including ours. Any such cyber incidents involving our computer systems and networks, or those of third parties important to our businesses, could present risks to our operations.

Foreign Currency Risk

We are exposed to risks associated with changes in foreign exchange rates. Changes in foreign currency rates create volatility in the U.S. dollar equivalent of our revenues and expenses in particular with regard to British Pounds and Euros. In addition, changes in the remeasurement of our foreign currency denominated net assets are recorded as part of our results of operations and fluctuate with changes in foreign currency rates. We monitor the net exposure in foreign currencies on a daily basis and may hedge our exposure as deemed appropriate with highly rated major financial institutions.

Interest Rate Risk

We had $840.9 million in fixed-rate debt outstanding as of December 31, 2015. These debt obligations are not currently subject to fluctuations in interest rates, although in the event of refinancing or issuance of new debt, such debt could be subject to changes in interest rates.

Disaster Recovery

Our processes address disaster recovery concerns. We operate most of our technology from dual-primary data centers at our two different London locations. Either site alone is capable of running all of our essential systems. In addition, we maintain technology operations from data centers in New Jersey and Connecticut. Replicated instances of this technology are maintained in our London data centers. All data centers are built and equipped to best-practice standards of physical security with appropriate environmental monitoring and safeguards. Failover for the majority of our systems is automated.

Competition

Financial Services

We encounter competition in all aspects of our businesses. In our Financial Services businesses, we compete primarily with other inter-dealer or wholesale brokers, including for brokers, salespeople, and suitable acquisition candidates. Our existing and potential competitors are numerous and include other inter-dealer brokerage firms, multi-dealer trading companies, financial technology companies and market data and information vendors, securities and futures exchanges, electronic communications networks, crossing systems, software companies, consortia, business-to-business marketplace infrastructure companies and niche market energy and other commodity Internet-based trading systems.

Inter-Dealer or Wholesale Financial Brokers

Our Financial Services segment primarily competes with three major, diversified inter-dealer and/or wholesale financial brokers. These include ICAP plc ("ICAP"), Tullett Prebon plc ("Tullett") and Compagnie Financière Tradition (which is majority owned by Viel & Cie) ("Tradition"), all of which are currently publicly traded companies. Other such competitors include a number of smaller, private firms that tend to specialize in specific product areas or geographies. In November 2015, ICAP and Tullett announced an agreement whereby Tullett will purchase ICAP's global hybrid voice brokering and information business. On January 12, 2016, we completed the merger with GFI by acquiring 100% of GFI's outstanding shares. See "Item 1-Acquisition of GFI Group Inc." On January 15, 2015 we entered into a settlement agreement with Tullett that resolved all 10 outstanding lawsuits between the two companies. In exchange for our settlement payment, we agreed with Tullett for a period of one year not to hire senior employees, including desk heads, of the other party and its subsidiaries. This agreement expired in January 2016.

Demand for services of brokers is directly affected by national and international economic and political conditions, broad trends in business and finance, the level and volatility of interest rates, changes in and uncertainty regarding tax laws and substantial fluctuations in the volume and price levels of securities transactions. Other significant factors affecting competition in the brokerage industry are the quality and ability of professional personnel, the depth and pricing efficiency of the markets in which the brokers transact, the strength of the technology used to service and execute on those markets and the relative prices of products and services offered by the brokers and by competing markets and trading processes.

Market Data and Financial Software Vendors

The majority of our large inter-dealer and wholesale financial broker competitors also sell proprietary market data and information, which competes with our market data offerings. In addition to direct sales, we resell market data through large market data and information providers. These companies have established significant presences on the vast majority of trading desks in our industry. Some of these market data and information providers, such as Bloomberg L.P. and Thomson Reuters Corporation, include in their product mix electronic trading and execution of both OTC and listed products in addition to their traditional market data offerings.

Exchanges and Other Trading Platforms

Although our businesses will often use exchanges to execute transactions brokered in both listed and OTC markets, we believe that exchanges have sought and will seek to migrate products traditionally traded in OTC markets by inter-dealer and/or wholesale financial brokers to exchanges. However, we believe that when a product goes from OTC to exchange-traded, the underlying or related OTC market often continues to experience growth in line with the growth of the exchange-traded contract. In addition, ICE operates both regulated exchanges and OTC execution services, and in the latter it competes directly with inter-dealer and/or wholesale financial brokers in energy, commodities, and credit products. ICE entered these OTC markets primarily by acquiring independent OTC brokers, and we believe that it is likely ICE or other exchange operators may seek to compete with us in the future by acquiring other such brokers, by creating futures products designed to mimic OTC products, or through other means. Further, ICE also operates a swap execution facility (“SEF”), as does Tradeweb Markets LLC (“Tradeweb”) and we expect that other exchanges may also seek to do so.

In addition to exchanges, other electronic trading platforms which currently operate in the dealer-to-client markets, including those run by MarketAxess Holdings Inc., have stated an intention to compete with us in the inter-dealer markets. At the same time, we have begun to offer an increasing number of our services to the customers of firms like MarketAxess.

In connection with the NASDAQ Transaction, we agreed that, for three years after the closing, we and Cantor will not engage in the business of fully electronic brokerage of benchmark on-the-run U.S. Treasuries and certain transactions in first off-the-run U.S. Treasuries, subject to certain exceptions. See “NASDAQ Transaction.” Certain subsidiaries of GFI agreed that, for two years after the closing of the Trayport Transaction, they will not provide software to operate a trading network for certain energy commodities in Europe, substantially as conducted by the Trayport Business at closing, subject to certain exceptions.

Banks and Broker-Dealers

Banks and broker-dealers have in the past created and/or funded consortia to compete with exchanges and inter-dealer brokers. For example, ICAP plc’s inter-dealer businesses for fully electronic trading of U.S. Treasuries and spot foreign exchange both began as dealer-owned consortia before being acquired by ICAP plc. An example of a current and similar consortium is Tradeweb. Currently, several large banks hold stakes in Tradeweb, an Internet-based market intermediary. Thomson Reuters Corporation is Tradeweb’s single largest shareholder. Although Tradeweb operates primarily as a dealer to customer platform, some of its offerings include a voice and electronic inter-dealer platform and a SEF. In addition, Tradeweb’s management has said that it would like to expand into other inter-dealer markets, and as such may compete with us in other areas over time.

In addition, certain investment management firms that traditionally deal with banks and broker-dealers have expressed a desire to have direct access to certain parts of the wholesale financial markets via firms such as ours. We believe that over time, interdealer-brokers will therefore gain a small percentage of the sales and trading market currently dominated by banks and broker-dealers. Since their collective revenues are many times those of the global inter-dealer market, we believe that our gaining a small share of banks and broker-dealers’ revenues would lead to a meaningful increase in our Financial Services revenues.

Overall, we believe that we may also face future competition from market data and technology companies and some securities brokerage firms, some of which are currently our customers, as well as from any future strategic alliances, joint ventures or other partnerships created by one or more of our potential or existing competitors.

Real Estate Services

In our Real Estate Services segment, we compete across a variety of business disciplines within the commercial real estate industry, including commercial property and corporate facilities management, occupier and property/agency leasing, property sales, valuation, capital markets (equity and debt) solutions, development services and proprietary research. Each business discipline is highly competitive on a national, regional and local level. Depending on the geography, property type or service, we face competition from other commercial real estate service providers, including outsourcing companies that traditionally competed in limited portions of our real estate management services business and have recently expanded their offerings. These include companies such as Aramark, ISS A/S, and ABM Industries. We also compete with in-house corporate real estate departments; developers; institutional lenders; insurance companies; investment banking firms; investment managers; and accounting and consulting firms in various parts of our business. Despite recent consolidation, the commercial real estate services industry remains highly fragmented and competitive. Although many of our competitors are local or regional firms and are smaller than us, some of these competitors are more entrenched on a local or regional basis. We are also subject to competition from other large multi-national firms that have similar service competencies to ours, including CBRE Group, Inc., Jones Lang LaSalle Inc., Cushman & Wakefield (majority-owned by TPG Capital), and Colliers International. In addition, more specialized firms like HFF, Inc. and Eastdil Secured LLC (part of Wells Fargo & Company) compete with us in certain areas.

Partnership Overview

We believe that our partnership structure is one of the unique strengths of our business. Many of our key brokers, salespeople and other front office professionals have their own capital invested in our business, aligning their interests with our stockholders. Limited partnership interests in BGC Holdings consist of: (i) “founding/working partner units” held by limited partners who are employees; (ii) “limited partnership units,” which consist of a variety of units that are generally held by employees such as REUs, RPUs, PSUs, PSIs, PSEs, LPUs, APSUs, APSIs, APSEs, AREUs, ARPUs and NPSUs; (iii) “Cantor units” which are the exchangeable limited partnership interests held by Cantor entities; and (iv) preferred partnership units (“Preferred Units”), which are working partner units that may be awarded to holders of, or contemporaneous with, the grant of REUs, RPUs, PSUs, PSIs, PSEs, LPUs, APSUs, APSIs, APSEs, AREUs, ARPUs and NPSUs. For further details, see “Our Organizational Structure.” We also have NPSUs, which are partnership units that are not entitled to participate in partnership distributions, not allocated any items of profit or loss and may not be exchangeable into shares of our common stock. Subject to the approval of the Compensation Committee or its designee, NPSUs are expected to be converted into the underlying unit type and will then participate in Partnership distributions, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to the Company and comply with his or her partnership obligations. In addition, we have NREUs, NPREUs, NLPUs, NPLPUs and NPPSUs (collectively, the “N Units”) which are non-distributing partnership units that may not be allocated any item of profit or loss and may not be made exchangeable into shares of our Class A common stock. Subject to the approval of the Compensation Committee or its designee, the N Units are expected to be converted into the underlying unit type (i.e., an NREU will be converted into an REU) and then participate in Partnership distributions, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to us and comply with his or her partnership obligations.

We believe that our partnership structure is an effective tool in recruiting, motivating and retaining key employees. Many brokers are attracted by the opportunity to become partners because the partnership agreement generally entitles partners to quarterly distributions of income from the partnership. While BGC Holdings limited partnership interests generally entitle our partners to participate in distributions of income from the operations of our business, upon leaving BGC Holdings (or upon any other redemption or purchase of such limited partnership interests as described below), any such partners are only entitled to receive over time, and provided he or she does not violate certain partner obligations, an amount for his or her BGC Holdings limited partnership interests that reflects such partner’s capital account or compensatory grant awards, excluding any goodwill or going concern value of our business unless Cantor, in the case of the founding partners, and we, as the general partner of BGC Holdings, otherwise determine. Our partners can receive the right to exchange their BGC Holdings limited partnership interests for shares of our Class A common stock (if, in the case of founding partners, Cantor so determines and, in the case of working partners and limited partnership unit holders, the BGC Holdings general partner, with Cantor’s consent, determines otherwise) and thereby realize any higher value associated with our Class A common stock. We believe that, having invested in us, partners feel a sense of responsibility for the health and performance of our business and have a strong incentive to maximize our revenues and profitability.

Relationship Between BGC Partners and Cantor

See “Risk Factors—Risks Related to our Relationship with Cantor and its Affiliates.”

Regulation

Financial Services

U.S. Regulation

The financial services industry in the United States is subject to extensive regulation under both federal and state laws. As registered broker-dealers and a Futures Commissions Merchant, certain of our subsidiaries are subject to laws and regulations which cover all aspects of financial services, including sales methods, trade practices, use and safekeeping of customers' funds and securities, minimum capital requirements, recordkeeping, business practices, securities lending and financing of securities purchases and the conduct of associated persons. We and our subsidiaries also are subject to the various anti-fraud provisions of the Securities Act, the Exchange Act, the Commodity Exchange Act, certain state securities laws and the rules and regulations thereunder. We also may be subject to vicarious and controlling person liability for the activities of our subsidiaries and our officers, employees and affiliated persons.

The SEC is the federal agency primarily responsible for the administration of federal securities laws, including adopting rules and regulations applicable to broker-dealers (other than government securities broker-dealers) and enforcing both its rules regarding broker-dealers and the Treasury's rules regarding government securities broker-dealers. In addition, we operate a number of platforms that are governed pursuant to SEC Regulation ATS. Broker-dealers are also subject to regulation by state securities administrators in those states in which they conduct business or have registered to do business. In addition, Treasury rules relating to trading government securities apply to such activities when engaged in by broker-dealers. The Commodities Futures Trading Commission (the "CFTC") is the federal agency primarily responsible for the administration of federal commodities future laws and other acts, including the adoption of rules applicable to Futures Commissions Merchants, Designated Contract Markets ("DCM") such as ELX, and Swap Execution Facilities ("SEF") such as BGC Derivative Markets, L.P. and GFI Swaps Exchange LLC.

Much of the regulation of broker-dealers' operations in the United States has been delegated to self-regulatory organizations. These self-regulatory organizations adopt rules (which are subject to approval by the SEC) that govern the operations of broker-dealers and government securities broker-dealers and conduct periodic inspections and examinations of their operations. In the case of our U.S. broker-dealer subsidiaries, the principal self-regulatory organization is FINRA. FINRA was formed from the consolidation of the NASD's member regulation operations and the regulatory arm of the NYSE Group to act as the self-regulatory organization for all broker-dealers doing business within the United States. Accordingly, our U.S. subsidiaries are subject to both scheduled and unscheduled examinations by the SEC and FINRA. In our futures-related activities, our subsidiaries are also subject to the rules of the CFTC, futures exchanges of which they are members and the National Futures Association ("NFA"), a futures self-regulatory organization.

The changing regulatory environment, new laws that may be passed by Congress, and rules that may be promulgated by the SEC, the Treasury, the Federal Reserve Bank of New York, the CFTC, the NFA, FINRA and other self-regulatory organizations, or changes in the interpretation or enforcement of existing laws and rules, if adopted, may directly affect our operations and profitability and those of our competitors and customers and of the securities markets in which we participate in a way that could adversely affect our businesses.

The SEC, self-regulatory organizations and state securities administrators conduct informal and formal investigations of possible improprieties or illegal action by broker-dealers and their "associated persons," which could be followed by the institution of administrative, civil and/or criminal proceedings against broker-dealers and/or "associated persons." Among the sanctions that may result if administrative, civil or criminal proceedings were ever instituted against us or our "associated persons" are injunctions, censure, fines, penalties, the issuance of cease-and-desist orders or suspension or expulsion from the industry and, in rare instances, even imprisonment. The principal purpose of regulating and disciplining broker-dealers is to protect customers and the securities markets, rather than to protect broker-dealers or their creditors or equity holders. From time to time, our "associated persons" have been and are subject to routine investigations, none of which to date have had a material adverse effect on our businesses, financial condition, results of operations or prospects.

In light of recent events in the U.S. and global financial markets, regulators and legislators in the U.S. and European Union ("EU") continue to craft new laws and regulations for the global OTC derivatives markets, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which became law in July 2010. The Dodd-Frank Act mandates or encourages several reforms regarding derivatives, including new regulations for swaps markets creating impartiality considerations, additional pre- and post-trade transparency requirements, and heightened collateral or capital standards, as well as recommendations for the obligatory use of central clearing for most standardized derivatives. The law also requires that standardized OTC derivatives be traded in an open and non-exclusionary manner on a DCM or a SEF. The SEC is still in the process of finalizing rules for the implementation of these requirements and it is anticipated that the SEC will release their rule set surrounding SEFs in the first half of 2016. The actual implementation of such rules may be phased in over a longer period.

Similarly, while the recently adopted Volcker Rule will not apply directly to us, the Volcker Rule may have a material impact on many of the banking and other institutions with which we do business or compete. There may be continued uncertainty regarding the Volcker Rule, its impact on various affected businesses, how those businesses will respond to it, and the effect that it will have on the markets in which we do business.

BGC Derivative Markets, L.P. ("BGC Derivative Markets"), and GFI Swaps Exchange LLC, our subsidiaries, began operating as SEFs on October 2, 2013. Both BGC Derivative Markets and GFI Swaps Exchange received permanent registration approval from the CFTC as SEFs on January 22, 2016. Mandatory Dodd-Frank Act compliant execution on SEFs by eligible U.S. persons commenced in February 2014 for "made available to trade" products, and a wide range of other rules relating to the execution and clearing of derivative products have been finalized with implementation periods in 2016 and beyond. BGC also maintains its ownership stake in ELX, a CFTC-approved DCM. We believe that our relative competitive position is strong in this new environment, and that we will gain market share in the U.S. This is because the new rules not only require OTC market execution venues to maintain robust front-end and back-office IT capabilities and to make large and ongoing technology investments, but also because recent revisions to the execution methodology rules will allow elements of voice brokerage to flourish. We are a leader in both the breadth and scale of our hybrid and fully electronic trading capability, and we expect to outperform our competitors in such an environment.

U.K. and European Regulation

The Financial Conduct Authority ("FCA") is the relevant statutory regulator for the United Kingdom financial services industry. The FCA was established in 2013, and superseded the former regulatory agency, the Financial Services Authority ("FSA"). The FCA's objectives are to protect customers, maintain the stability of the financial services industry and promote competition between financial services providers. It has broad rule-making, investigative and enforcement powers derived from the Financial Services and Markets Act 2000 and subsequent and derivative legislation and regulations.

The FCA has continued to implement the far-reaching reform rules initiated by the FSA, that are designed to enhance firms' liquidity risk management practices, based on the lessons learned since the start of the credit crisis in 2007, as well as a regulatory model with a clear internal separation of conduct of business and prudential regulation. Implications of these rules include better liquidity risk management capability (including the use of stress testing and contingency funding plans ("CFP"), less reliance on short-term wholesale funding, and a heightened reliance on higher amounts and quality of liquid asset securities (such as government securities), leading to an increased likelihood of surviving a severe liquidity stress event with the overarching principles being self-sufficiency and adequacy of liquid resources. Currently, we have subsidiaries and branches regulated by the FCA (BGC Brokers L.P., the U.K. branch of Aurel BGC, GFI Securities Ltd. and GFI Brokers Limited).

From time to time, we have been and are subject to periodic examinations, inspections and investigations, including periodic risk assessment and related reviews of our U.K. group. As a result of such reviews, we may be required to include or enhance certain regulatory structures and frameworks in our operating procedures, systems and controls. We are also required to obtain approval from the FCA to acquire control of U.K. regulated firms. See "Acquisition of GFI Group Inc."

On November 19, 2014, we announced that we had resolved matters with the FCA regarding our acquisition of a stake in GFI Group exceeding 10% without first informing and seeking the approval of the FCA in breach of certain U.K. controller requirements. This was a breach of U.K. regulatory law. The FCA had taken the view that it was not appropriate in this specific case for it to take any formal action. On November 19, 2014, we also announced that we had received approval from the FCA to acquire control of GFI and thereby take control of the U.K. regulated firms within GFI. We have also received similar approvals in Hong Kong and Singapore. Additional approvals were granted in connection with the Back-End Mergers in December 2015. See "Acquisition of GFI Group Inc."

Increasingly, the FCA has developed a practice of requiring senior officers of regulated firms to provide individual attestations or undertakings as to the status of the firm's control environment, compliance with specific rules and regulations, or the completion of required tasks. Officers of BGC Brokers L.P. and GFI Brokers Limited have given such attestations or undertakings in the past and may do so again in the future. Similarly, the FCA can seek a voluntary requirement notice ("VREQ"), which is a voluntary undertaking on behalf of a firm that is made publicly available on the FCA's website. In 2014, the FCA issued industry-wide interpretive guidance on the management of potential conflicts pursuant to the VREQ process.

Recent European Regulatory Developments

The European Market Infrastructure Regulation on OTC derivatives, central counterparties and trade repositories ("EMIR") was adopted in July 2012. EMIR fulfills several of the EU's G20 commitments to reform OTC derivatives markets. The reforms are designed to reduce systemic risk and bring more transparency to both OTC and listed derivatives markets. EMIR derivatives rules will apply initially to financial and non-financial firms that are counterparties to derivatives contracts in the EU and later to those trading outside the EU under certain circumstances.

The first compliance obligations for EMIR came into force in mid-March 2013 with the adoption of certain regulatory technical standards and implementing technical standards which included timely confirmations. Risk mitigation techniques for uncleared OTC derivatives became effective September 15, 2013 and comprised ISDA portfolio reconciliation, dispute resolution and disclosure protocol. The trade reporting for OTC derivative contracts to be reported to a Trade Repository ("TR") came into effect in phases during February to August 2014. By February 2017, all OTC derivative contracts entered into before or after August 16, 2012 and no longer outstanding as of February 12, 2014 are to be reported to a TR. In October 2014, the European Commission adopted its first "equivalence" decisions for the regulatory regimes of central counterparties in Australia, Hong Kong, Japan and Singapore. The central counterparties in these third country jurisdictions will be able to obtain recognition in the EU and can therefore be used by market participants to clear standardized OTC derivatives as required by EU legislation, while remaining subject solely to the regulation and supervision of their home jurisdiction. In July 2013, the European Commission and the CFTC announced the "Path Forward" on the alignment of OTC derivatives regulations between the two jurisdictions. For the EU, this involves the implementation of EMIR and proposed amendments to the European Commission's Markets in Financial Instruments Directive ("MiFID").

Along with the implementation of EMIR reporting requirements, the Regulation on Wholesale Energy Markets Integrity and Transparency ("REMIT") Implementation Acts became effective on January 7, 2015. The REMIT Implementing Acts developed by the European Commission define the details of reporting under REMIT, drawing up the list of reportable contracts and derivatives; defining details, timing and form of reporting, and establishing harmonized rules to report that information to the Agency for the Cooperation of Energy Regulators ("ACER"). They enable ACER to collect information in relation to wholesale energy market transactions and fundamentals through the Agency's REMIT Information System (ARIS), to analyze this data to detect market abuse and to report suspicious events to the National Competent Authorities, which are responsible for investigating these matters further, and if required, imposing sanctions. Market participants and third parties reporting on their behalf have had to: (i) by October 7, 2015, report transactions executed at organized market places and fundamental data from the central information transparency platforms; and (ii) by April 7, 2016, report transactions in the remaining wholesale energy contracts (OTC standard and non-standard supply contracts, transportation contracts) and additional fundamental data.

To achieve a high level of harmonization and convergence in regular supervisory reporting requirements, the Committee of European Banking Supervisors ("CEBS") issued guidelines on prudential reporting with the aim of developing a supervisory reporting framework based on common formats, known as COREP. COREP has become part of European Banking Authorities' implementing technical standards on reporting. In addition, guidelines on Financial Reporting covering consolidated and sub-consolidated financial reporting for supervisory purposes based on International Financial Reporting Standards are being developed, known as FINREP. These initiatives will impact the nature, timing and extent of regulatory reporting for our European regulated group.

Basel III (or the Third Basel Accord) is a global regulatory standard on bank capital adequacy, stress testing and market liquidity risk scheduled to be introduced by bank regulators in most, if not all, of the world's major economies by 2019. Basel III is designed to strengthen bank capital requirements and introduces new regulatory requirements on bank liquidity and bank leverage. The adoption of these proposed rules could restrict the ability of our large bank and broker-dealer customers to operate proprietary trading businesses and to maintain current capital market exposures under the present structure of their balance sheets, and will cause these entities to need to raise additional capital in order to stay active in our marketplaces.

Much of our global derivatives volumes continue to be executed by non-U.S.-based clients outside the U.S. and subject to local prudential regulations. As such, we also continue to operate our Multilateral Trading Facility ("MTF") in accordance with EU directives as licensed by the FCA. The final draft of the European Commission's Markets in Financial Instruments Directive Level 2 Regulatory Technical Standards ("MiFID II") was published by the European Securities and Markets Authority ("ESMA") in September 2015 where implementation is now expected to commence in January 2018. MiFID II will have a particularly significant impact in a number of key areas, including corporate governance, transaction reporting, pre- and post-trade transparency, technology synchronization, best execution and investor protection. MiFID II will also introduce a new regulated execution venue category known as the Organized Trading Facility ("OTF") and there is currently expected to be a joint equivalence assessment by EU and non-EU jurisdictions for granting mutual access to their respective domestic marketplaces.

We are unable to predict how any of these new laws and proposed rules and regulations will be implemented or in what form, or whether any additional or similar changes to statutes or rules and regulations, including the interpretation or implementation thereof, will occur in the future. Any such action could affect us in substantial and unpredictable ways, subject us to the risk of fines, sanctions, enhanced oversight, increased financial and capital requirements and additional restrictions or limitations on our ability to conduct or grow our businesses, and could otherwise have an adverse effect on our businesses, financial condition, results of operations and prospects. We believe that uncertainty and potential delays around the final form of such new rules and regulations might take may negatively impact our customers and trading volumes in certain markets in which we transact. Increased capital requirements may also diminish transaction velocity. While the broad framework of proposed rules and regulations is known, we believe that it remains premature to know conclusively the specific aspects of the U.S. and E.U. proposals that may directly affect our businesses, as some proposals have not yet been finalized and others which have been proposed remain subject to supervisory debate. While we generally believe the net impact of the rules and regulations may be positive for our businesses, unintended consequences of the rules and regulations may materially adversely affect us in ways yet to be determined.

Other Financial Services Regulation

Our subsidiaries that have foreign operations are subject to regulation by the relevant regulatory authorities and self-regulatory organizations in the countries in which they do business. The following table sets forth certain jurisdictions, other than the United States, in which we do business and the applicable regulatory authority or authorities of each such jurisdiction:

Jurisdiction	Regulatory Authorities/Self-Regulatory Organizations
Argentina	Comisión Nacional de Valores
Australia	Australian Securities and Investments Commission and Australian Securities Exchange
Brazil	Brazilian Securities and Exchange Commission, the Central Bank of Brazil and BM&F BOVESPA
Canada	Ontario Securities Commission, Autorite des Marches Financiers (Quebec)

Chile	Superintendencia de Valores y Seguros
China	China Banking Regulatory Commission, State Administration of Foreign Exchange
Columbia	Superintendencia Financiera de Columbia
Dubai	Dubai Financial Supervisory Authority
France	Banque de France and subsidiary agencies, CECEI (Comité des Établissements de Crédit et des Entreprises d'investissement), CCLRF (Comité Consultatif de la Législation et de la Réglementation Financière), Commission Bancaire and AMF (Autorité des Marchés Financiers)
Hong Kong	Hong Kong Securities and Futures Commission and The Hong Kong Monetary Authority
Japan	Japanese Financial Services Agency, Japan Securities Dealers Association and the Securities and Exchange Surveillance Commission
Korea	Ministry of Strategy and Finance, The Bank of Korea, The Financial Services Commission and The Financial Supervisory Service
Mexico	Banking and Securities National Commission
Peru	Ministerio de Economica y Finanzas
Philippines	Securities and Exchange Commission
Russia	Federal Service for Financial Markets
Singapore	Monetary Authority of Singapore
South Africa	Johannesburg Stock Exchange
Switzerland	Swiss Federal Banking Commission
Turkey	Capital Markets Board of Turkey
United Kingdom	Financial Conduct Authority

Real Estate Services

The brokerage of real estate sales and leasing transactions, property and facilities management, conducting real estate valuation, and securing debt for clients, among other business lines, also require that we comply with regulations affecting the real estate industry and maintain licenses in various jurisdictions in which we operate. As the size and scope of real estate sales transactions have increased significantly over the past several years, market participants face corresponding greater complexity in ensuring they comply with numerous regulatory regimes.

We could be required to pay fines, return commissions, have a license suspended or revoked, or be subject to criminal action should we conduct regulated activities without a license, or without maintaining the necessary license or if we violate applicable rules and regulations. Licensing requirements could also impact our ability to engage in certain types of transactions, change the way in which we conduct business or affect the cost of conducting business. We and our licensed associates may be subject to various due diligence, disclosure, standard-of-care, anti-money laundering and other obligations. We could become subject to claims by participants in real estate sales or other services claiming that we did not fulfill our obligations as a service provider or broker. This could include claims with respect to alleged conflicts of interest where we act, or are perceived to be acting, for two or more clients. While management has overseen highly regulated businesses before and expects us to comply with all applicable regulations in a satisfactory manner, no assurance can be given that it will always be the case.

In addition, federal, state and local laws and regulations impose various environmental zoning restrictions, use controls, and disclosure obligations that impact the management, development, use and/or sale of real estate. Such laws and regulations tend to discourage sales and leasing activities, as well as mortgage lending availability, with respect to such properties. In our role as property or facilities manager, we could incur liability under environmental laws for the investigation or remediation of hazardous or toxic substances or wastes at properties we currently or formerly managed, or at off-site locations where wastes from such properties were disposed. Such liability can be imposed without regard for the lawfulness of the original disposal activity, or our knowledge of, or fault for, the release or contamination. Further, liability under some of these may be joint and several, meaning that one liable party could be responsible for all costs related to a contaminated site. We could also be subject to property damage or personal injury claims alleged to result from environmental contamination, or from asbestos-containing materials or lead-based paint present at the properties or facilities we manage. Certain requirements governing the removal or encapsulation of asbestos-containing materials, as well as recently enacted local ordinances obligating property or facilities managers to inspect for and remove lead-based paint in certain buildings, could increase our costs of regulatory compliance and potentially subject us to violations or claims.

Capital Requirements

U.S.

Every U.S.-registered broker-dealer is subject to the Uniform Net Capital Requirements. FCMs, such as our subsidiaries, BGC Financial L.P. (“BGCF”) and Mint Brokers (“Mint”), are also subject to CFTC capital requirements. These requirements are designed to ensure financial soundness and liquidity by prohibiting a broker or dealer from engaging in business at a time when it does not satisfy minimum net capital requirements.

In the United States, net capital is essentially defined as net worth (assets minus liabilities), plus qualifying subordinated borrowings and less certain mandatory deductions that result from excluding assets that are not readily convertible into cash and from conservatively valuing certain other assets, such as a firm’s positions in securities. Among these deductions are adjustments, commonly referred to as “haircuts,” to the market value of securities positions to reflect the market risk of such positions prior to their liquidation or disposition. The Uniform Net Capital Requirements also impose a minimum ratio of debt to equity, which may include qualified subordinated borrowings.

Regulations have been adopted by the SEC that prohibit the withdrawal of equity capital of a broker-dealer, restrict the ability of a broker-dealer to distribute or engage in any transaction with a parent company or an affiliate that results in a reduction of equity capital or to provide an unsecured loan or advance against equity capital for the direct or indirect benefit of certain persons related to the broker-dealer (including partners and affiliates) if the broker-dealer’s net capital is, or would be as a result of such withdrawal, distribution, reductions, loan or advance, below specified thresholds of excess net capital. In addition, the SEC’s regulations require certain notifications to be provided in advance of such withdrawals, distributions, reductions, loans and advances that exceed, in the aggregate, 30% of excess net capital within any 30-day period. The SEC has the authority to restrict, for up to 20 business days, such withdrawal, distribution or reduction of capital if the SEC concludes that it may be detrimental to the financial integrity of the broker-dealer or may expose its customers or creditors to loss. Notice is required following any such withdrawal, distribution, reduction, loan or advance that exceeds, in the aggregate, 20% of excess net capital within any 30 day period. The SEC’s regulations limiting withdrawals of excess net capital do not preclude the payment to employees of “reasonable compensation.”

Four of our subsidiaries, BGCF, GFI Securities LLC, Kyte Securities LLC and Mint, are registered with the SEC and are subject to the Uniform Net Capital Requirements. As FCMs, BGCF and Mint are also subject to CFTC minimum capital requirements. BGCF is also a member of the FICC, which imposes capital requirements on its members. We also hold a 49% limited partnership interest in Aqua, a U.S. registered broker-dealer and ATS. In addition, our SEFs, BGC Derivative Markets and GFI Swaps Exchange, are required to maintain financial resources to cover operating costs for at least one year, keeping at least enough cash or highly liquid securities to cover six months’ operating costs.

Compliance with the Uniform Net Capital Requirements may limit the extent and nature of our operations requiring the use of our registered broker-dealer subsidiaries’ capital, and could also restrict or preclude our ability to withdraw capital from our broker-dealer subsidiaries or SEFs.

Non-U.S.

Our international operations are also subject to capital requirements in their local jurisdictions. BGC Brokers L.P., BGC European Holdings, L.P., GFI Brokers Limited and GFI Securities Limited, which are based in the United Kingdom, are subject to capital requirements established by the FCA. The FCA applies stringent provisions with respect to capital applicable to the operation of these brokerage firms, which vary depending upon the nature and extent of their activities. The provisions relating to capital and liquidity requirements enforced by the FCA have undergone significant changes in response to the current regulatory landscape, and our U.K. businesses are now required to maintain significantly higher regulatory capital than they have in the past.

In addition, the majority of our other foreign subsidiaries are subject to similar regulation by the relevant authorities in the countries in which they do business. Additionally, certain other of our foreign subsidiaries are required to maintain non-U.S. net capital requirements. In Hong Kong, BGC Securities (Hong Kong), LLC and GFI (HK) Securities LLC are regulated by the Securities and Futures

Commission. BGC Capital Markets (Hong Kong), Limited and GFI (HK) Brokers Ltd, are regulated by The Hong Kong Monetary Authority. All are subject to Hong Kong net capital requirements. In France, Aurel BGC and BGC France Holdings; in Australia, BGC Partners (Australia) Pty Limited, BGC (Securities) and GFI Australia Pty Ltd.; in Japan, BGC Shoken Kaisha Limited's Japanese branch; in Singapore, BGC Partners (Singapore) Limited, BGC Securities (Singapore) Ltd and GFI Group PTE Ltd; in Korea, BGC Capital Markets & Foreign Exchange Broker (Korea) Limited and GFI Korea Money Brokerage Limited; and in Turkey, BGC Partners Menkul Degerler AS, all have net capital requirements imposed upon them by local regulators. In addition, the LCH (LIFFE/LME) clearing organization, of which BGC LP is a member, also imposes minimum capital requirements. In Latin America, BGC Liquidez Distribuidora De Titulos E Valores Mobiliarios Ltda. (Brazil) has net capital requirements imposed upon it by local regulators.

We had net assets in our regulated subsidiaries of $510.1 million and $336.8 million for the years ended December 31, 2015 and 2014, respectively.

Employees

As of December 31, 2015, we had 7,841 total employees, of which approximately 51% were primarily focused on our Financial Services segment and approximately 49% on our Real Estate Services segment.

As of the same date, we had 3,855 brokers, salespeople, managers and other front-office personnel, of which 2,454 worked in our Financial Services segment and 1,401 in our Real Estate Services segment. Approximately 56% of our brokers, salespeople, managers and other front-office personnel were based in the Americas, and approximately 32% were based in Europe, the Middle East and Africa with the remaining approximately 12% based in the Asia-Pacific region.

Generally, our employees are not subject to any collective bargaining agreements, except for certain reimbursable employees within our Real Estate Services segment, and certain of our employees based in our European offices that are covered by the national, industry-wide collective bargaining agreements relevant to the countries in which they work.

Legal Proceedings

See the discussion of legal proceedings contained in Note 20— "Commitments, Contingencies and Guarantees" to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

OUR ORGANIZATIONAL STRUCTURE

Stock Ownership

As of January 31, 2016, there were 242,372,625 shares of our Class A common stock outstanding, of which 22,994,872 shares were held by Cantor and CFGM, Cantor's managing general partner. Each share of Class A common stock is entitled to one vote on matters submitted to a vote of our stockholders.

In addition, as of January 31, 2016, Cantor and CFGM held 34,848,107 shares of our Class B common stock (which represents all of the outstanding shares of our Class B common stock), representing, together with our Class A common stock held by Cantor and CFGM, approximately 62.9% of our voting power on such date. Each share of Class B common stock is generally entitled to the same rights as a share of Class A common stock, except that, on matters submitted to a vote of our stockholders, each share of Class B common stock is entitled to ten votes. The Class B common stock generally votes together with the Class A common stock on all matters submitted to a vote of our stockholders.

Through January 31, 2016, Cantor has distributed to its current and former partners an aggregate of 20,747,738 shares of Class A common stock, consisting of (i) 19,307,009 shares to satisfy certain of Cantor's deferred stock distribution obligations provided to such partners on April 1, 2008 (the "April 2008 distribution rights shares"), and (ii) 1,440,729 shares to satisfy certain of Cantor's deferred stock distribution obligations provided to such partners on February 14, 2012 in connection with Cantor's payment of previous quarterly partnership distributions (the "February 2012 distribution rights shares"). As of January 31, 2016, Cantor is still obligated to distribute to its current and former partners an aggregate of 15,859,233 shares of Class A common stock, consisting of 14,064,735 April 2008 distribution rights shares and 1,794,498 February 2012 distribution rights shares.

From time to time, we may actively continue to repurchase shares of our Class A common stock, including from Cantor, our executive officers, other employees, partners and others.

Partnership Structure

We are a holding company, and our business is operated through two operating partnerships, BGC U.S., which holds our U.S. businesses, and BGC Global, which holds our non-U.S. businesses. The limited partnership interests of the two operating partnerships are held by us and BGC Holdings, and the limited partnership interests of BGC Holdings are currently held by limited partnership unit holders, founding partners, and Cantor. We hold the BGC Holdings general partnership interest and the BGC Holdings special voting limited partnership interest, which entitle us to remove and appoint the general partner of BGC Holdings, and serve as the general partner of BGC Holdings, which entitles us to control BGC Holdings. BGC Holdings, in turn, holds the BGC U.S. general partnership interest and the BGC U.S. special voting limited partnership interest, which entitle the holder thereof to remove and appoint the general partner of BGC U.S., and the BGC Global general partnership interest and the BGC Global special voting limited partnership interest, which entitle the holder thereof to remove and appoint the general partner of BGC Global, and serves as the general partner of BGC U.S. and BGC Global, all of which entitle BGC Holdings (and thereby us) to control each of BGC U.S. and BGC Global. BGC Holdings holds its BGC Global general partnership interest through a company incorporated in the Cayman Islands, BGC Global Holdings GP Limited.

As of January 31, 2016, we held directly and indirectly, through wholly owned subsidiaries, BGC U.S. limited partnership interests and BGC Global limited partnership interests consisting of 277,220,732 units and 277,220,732 units, representing approximately 67.1% and 67.1% of the outstanding BGC U.S. limited partnership interests and BGC Global limited partnership interests, respectively. As of that date, BGC Holdings held BGC U.S. limited partnership interests and BGC Global limited partnership interests consisting of 135,884,464 units and 135,884,464 units, representing approximately 32.9% and 32.9% of the outstanding BGC U.S. limited partnership interests and BGC Global limited partnership interests, respectively.

Limited partnership unit holders, founding partners, and Cantor directly hold BGC Holdings limited partnership interests. Since BGC Holdings in turn holds BGC U.S. limited partnership interests and BGC Global limited partnership interests, limited partnership unit holders, founding partners, and Cantor indirectly have interests in BGC U.S. limited partnership interests and BGC Global limited partnership interests.

As of January 31, 2016, excluding Preferred Units and NPSUs described below, outstanding BGC Holdings partnership interests included 70,413,386 limited partnership units, 14,912,664 founding partner units and 50,558,414 Cantor units.

We may in the future effect additional redemptions of BGC Holdings limited partnership units and founding partner units for shares of our Class A common stock. We may also continue our earlier partnership restructuring programs, whereby we redeemed or repurchased certain limited partnership units and founding partner units in exchange for new units, grants of exchangeability for Class A common stock or cash and, in many cases, obtained modifications or extensions of partners' employment arrangements. We also generally expect to continue to grant exchange rights with respect to outstanding non-exchangeable limited partnership units and founding partner units, and to repurchase BGC Holdings partnership interests from time to time, including from Cantor, our executive officers, and other employees and partners, unrelated to our partnership restructuring programs.

Cantor units are generally exchangeable with us for our Class B common stock (or, at Cantor's option or if there are no additional authorized but unissued shares of our Class B common stock, our Class A common stock) on a one-for-one basis (subject to customary anti-dilution adjustments). Upon certain circumstances, Cantor may have the right to acquire additional Cantor units in connection with the redemption of or grant of exchangeability to certain non-exchangeable founding partner units owned by persons who were previously Cantor partners prior to the separation, none of which was redeemed/exchanged in the Global Partnership Restructuring Program. On November 4, 2015, the Company issued exchange rights with respect to, and Cantor purchased, in transactions exempt from registration pursuant to Section 4(a)(2) of the Securities Act, an aggregate of 1,775,481 exchangeable limited partnership units in BGC Holdings, as follows: In connection with the redemption by BGC Holdings of an aggregate of 588,356 non-exchangeable founding partner units from founding partners of BGC Holdings for an aggregate consideration of $2,114,885, Cantor purchased 554,196 exchangeable limited partnership units from BGC Holdings for an aggregate of $1,933,390 (after offset of a founding partner's $46,289 debt due to Cantor). In addition, pursuant to the Sixth Amendment to the BGC Holdings Limited Partnership Agreement, on November 4, 2015, Cantor purchased 1,221,285 exchangeable limited partnership units from BGC Holdings for an aggregate consideration of $4,639,352 in connection with the grant of exchangeability and exchange of 1,221,285 founding partner units. Exchangeable limited partnership units held by Cantor are exchangeable by Cantor at any time on a one-for-one basis (subject to adjustment) for shares of Class A common stock of the Company.

As of January 31, 2016, there were 219,270 non-exchangeable founding partner units with respect to which Cantor had the right to acquire an equivalent number of Cantor units.

On November 6, 2013, BGC GP, LLC, a subsidiary of the Company and the General Partner of the Company's majority-owned subsidiary, BGC Holdings, and Cantor, the Majority in Interest Exchangeable Limited Partner of the Partnership, entered into the Ninth Amendment to the Agreement of Limited Partnership of the Partnership (the "Ninth Amendment") effective as of July 1, 2013.

In order to facilitate partner compensation and for other corporate purposes, the Ninth Amendment creates new preferred partnership units ("Preferred Units"), which are working partner units that may be awarded to holders of, or contemporaneous with the grant of, PSUs, PSIs, PSEs, LPUs, APSUs, APSIs, APSEs, REUs, RPUs, AREUs, and ARPUs. These new Preferred Units carry the same name as the underlying unit, with the insertion of an additional "P" to designate them as Preferred Units.

Such Preferred Units may not be made exchangeable into our Class A common stock and accordingly will not be included in the fully diluted share count. Each quarter, the net profits of BGC Holdings will be allocated to such Units at a rate of either 0.6875% (which is 2.75% per calendar year) of the allocation amount assigned to them based on their award price, or such other amount as set forth in the award documentation (the "Preferred Distribution"), before calculation and distribution of the quarterly Partnership distribution for the remaining Partnership units. The Preferred Units will not be entitled to participate in Partnership distributions other than with respect to the Preferred Distribution. As of January 31, 2016, there were 14,980,662 such units granted and outstanding. The Ninth Amendment was approved by the Audit Committee of the Board of Directors and by the full Board.

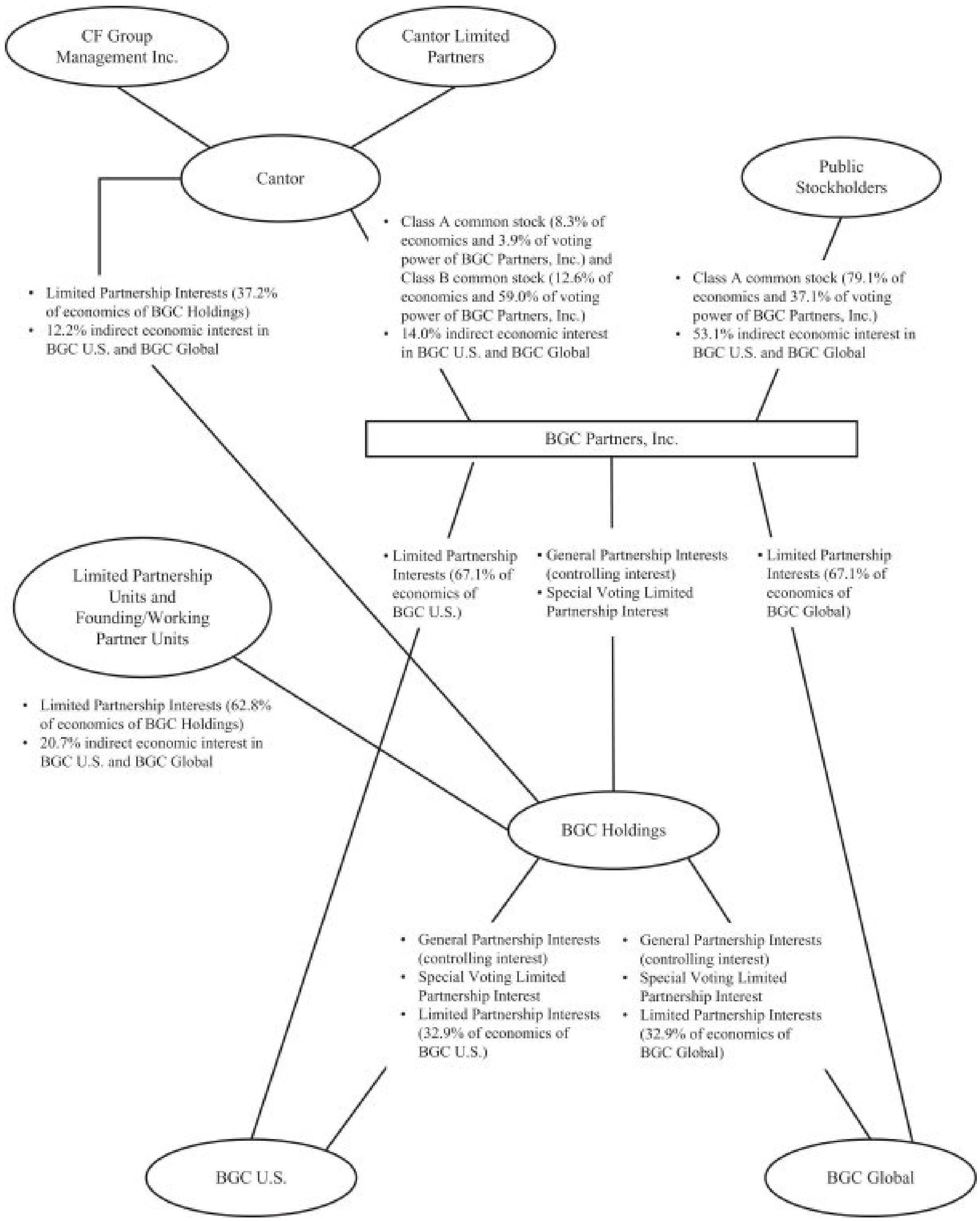
On May 9, 2014, partners of BGC Holdings approved the Tenth Amendment to the Agreement of Limited Partnership of BGC Holdings effective as of May 9, 2014. In order to facilitate partner compensation and for other corporate purposes the Tenth Amendment created a new class of partnership units (NPSUs), which are working partner units. For more information, see Note 14—"Related Party Transactions" to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

On June 5, 2015, we entered into an agreement with Cantor providing Cantor, CFGM and other Cantor affiliates entitled to hold Class B common stock the right to exchange from time to time, on a one-to-one basis, subject to adjustment, up to an aggregate of 34,649,693 shares of Class A common stock now owned or subsequently acquired by such Cantor entities for up to an aggregate of 34,649,693 shares of Class B common stock. These shares of Class B common stock represent the remaining 34,649,693 authorized but unissued shares of Class B common stock available under our Amended and Restated Certificate of Incorporation. The exchange agreement will enable the Cantor entities to acquire the same number of shares of Class B common stock that they are already entitled to acquire without having to exchange their exchangeable limited partnership units in BGC Holdings. Our Audit Committee and full Board of Directors determined that it was in the best interests of us and our stockholders to approve the exchange agreement because it will help ensure that Cantor retains its exchangeable limited partnership units in BGC Holdings, which is the same partnership in which our partner employees participate, thus continuing to align the interests of Cantor with those of the partner employees. We and Cantor have agreed that any shares of Class B common stock issued in connection with the exchange agreement would be deducted from the aggregate number of shares of Class B common stock that may be issued to the Cantor entities upon exchange of exchangeable limited partnership units in BGC Holdings. Accordingly, the Cantor entities will not be entitled to receive any more shares of Class B common stock under this agreement than they were previously eligible to receive upon exchange of exchangeable limited partnership units.

On November 4, 2015, partners of BGC Holdings approved the Eleventh Amendment to the Agreement of Limited Partnership of BGC Holdings (the "Eleventh Amendment") effective as of October 1, 2015. In order to facilitate partner compensation and for other corporate purposes the Eleventh Amendment created five new classes of non-distributing partnership units ("N Units"), which are Working Partner Units. These new N Units carry the same name as the underlying unit with the insertion of an additional "N" to designate them as the N Unit type and are designated as NREUs, NPREUs, NLPUs, NPLPUs and NPPSUs. The N Units are not entitled to participate in Partnership distributions, will not be allocated any items of profit or loss and may not be made exchangeable into shares of the Company's Class A common stock. Subject to the approval of the Compensation Committee or its designee, the N Units are expected to be converted into the underlying unit type (i.e. an NREU will be converted into an REU) and will then participate in Partnership distributions, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to the Company and comply with his or her partnership obligations. The Eleventh Amendment was approved by the Audit Committee of the Board of Directors and by the full Board of Directors.

Table of Contents

The following diagram illustrates our organizational structure as of January 31, 2016. The diagram does not reflect the various subsidiaries of BGC, BGC U.S., BGC Global, BGC Holdings or Cantor, or the noncontrolling interests in our consolidated subsidiaries other than Cantor's units in BGC Holdings.*



* Shares of our Class B common stock are convertible into shares of our Class A common stock at any time in the discretion of the holder on a one-for-one basis. Accordingly, if Cantor converted all of its Class B common stock into Class A common stock, Cantor would hold 20.9% of the voting power, and the public stockholders would hold 79.1% of the voting power (and Cantor's indirect economic interests in BGC U.S. and BGC Global would remain unchanged). For purposes of the diagram, Cantor's percentage ownership also includes CFGM's percentage ownership. The diagram does not reflect certain Class A common stock and BGC Holdings partnership units as follows: (a) 16,260,160 shares of Class A common stock issuable upon conversion of our 4.50% convertibles notes; (b) any shares of Class A common stock that may become issuable upon the conversion or exchange of any convertible or exchangeable debt securities that may in the future be sold under our shelf Registration Statement on Form S-3 (Registration No. 333-180331); (c) 14,980,662 Preferred Units granted and outstanding to BGC Holdings partners (see "Partnership Structure" herein); (d) 13,676,503 N Units granted and outstanding to BGC Holdings partners; (e) 5,000,000 shares of Class A common stock that we repurchased from Cantor on February 23, 2016; and (f) 970,639 shares of Class A common stock that Cantor donated to The Cantor Fitzgerald Relief Fund on February 23, 2016, and that we repurchased from The Cantor Fitzgerald Relief Fund on February 23, 2016.

The diagram reflects Class A common stock and BGC Holdings partnership unit activity from January 1, 2015 through January 31, 2016 as follows: (a) 24,042,599 shares of Class A common stock acquired by Cantor upon conversion of the 8.75% convertible notes into shares of Class A common stock, all of which shares have been registered for resale pursuant to our Registration Statement on Form S-3 (Registration No. 333-204980), none of which shares have been sold under such Registration Statement, and 11,000,000 of which shares have been pledged by Cantor to a bank under such Registration Statement as a security for a loan; (b) 23,481,192 shares of Class A common stock issued on January 12, 2016 to the stockholders of JPI in the Back-End Mergers, which shares have been registered for resale pursuant to our shelf Registration Statement on Form S-3 (Registration No. 333-208967); (c) 1,702,836 shares of Class A common stock repurchased by us; (d) 270,422 forfeited shares of Restricted Class A common stock; (e) 418,615 shares of Class A common stock sold by us under the December 2012 sales agreement pursuant to our shelf Registration Statement on Form S-3 (Registration No. 333-185110); (f) 6,556,023 shares of Class A common stock sold by us under the November 2014 sales agreement pursuant to our Registration Statement on Form S-3 (Registration No. 333-200415), but not the 13,443,977 shares remaining for sale by us under such sales agreement; (g) 1,145,643 shares issued by us under our acquisition shelf Registration Statement on Form S-4 (Registration No. 333-169232), but not the 12,305,353 shares remaining available for issuance by us under such Registration Statement; (h) 44,902 shares issued by us under our Dividend Reinvestment and Stock Purchase Plan shelf Registration Statement on Form S-3 (Registration No. 333-173109), but not the 9,767,531 shares remaining available for issuance by us under shelf Registration Statement on Form S-3 (Registration No. 333-196999); (i) 176,045 shares sold by selling stockholders under our resale shelf Registration Statement on Form S-3 (Registration No. 333-167953), but not the 171,268 shares remaining available for sale by selling stockholders under such Registration Statement; (j) 422,488 shares sold by selling stockholders under our resale shelf Registration Statement on Form S-3 (Registration No. 333-175034), but not the 1,274,549 shares remaining available for sale by selling stockholders under such Registration Statement; (k) 708,136 limited partnership, founding partner and Cantor units redeemed or repurchased by us for cash; and (l) an aggregate of 26,301,065 limited partnership units granted by BGC Holdings.

ITEM 1A. RISK FACTORS

Any investment in shares of our Class A common stock, our 8.125% Senior Notes, our 5.375% Senior Notes, our 8.375% Senior Notes, our 4.50% Convertible Notes, or our other securities involves risks and uncertainties. The following are important risks and uncertainties that could affect our businesses, but we do not ascribe any particular likelihood or probability to them unless specifically indicated. Any of the risks and uncertainties set forth below, should they occur, could significantly and negatively affect our businesses, financial condition, results of operations, and prospects and/or the trading price of our Class A common stock, our 8.125% Senior Notes, our 5.375% Senior Notes, our 8.375% Senior Notes, our 4.50% Convertible Notes, or our other securities.

RISKS RELATED TO OUR BUSINESSES GENERALLY

Global Economic and Market Conditions

Our businesses, financial condition, results of operations and prospects have been and may continue to be adversely affected by conditions in the global economy and financial and commercial real estate markets generally.

Our businesses and results of operations have been and may continue to be adversely affected by conditions in the global economy and financial and commercial real estate markets generally. Difficult market and economic conditions and geopolitical uncertainties have in the past adversely affected and may in the future adversely affect our businesses. Such conditions and uncertainties include fluctuating levels of economic output, interest and inflation rates, employment levels, consumer confidence levels, and fiscal and monetary policy. These conditions may directly and indirectly impact a number of factors in the global markets that may be detrimental to our operating results, including the levels of trading, investing, and origination activity in the securities markets, security valuations, volatility of interest rates, changes in and uncertainty regarding tax laws and substantial fluctuations in volume and commissions on securities transactions, the absolute and relative level of currency rates, commercial real estate values and the volume of real estate transactions, and the actual and the perceived quality of issuers, borrowers and investors. For example, the actions of the U.S. Federal Reserve and international central banking authorities directly impact our cost of funds and may impact the value of financial instruments we hold. In addition, changes in monetary policy may affect the credit quality of our customers. Changes in domestic and international monetary policy are beyond our control and difficult to predict.

On a consolidated basis, for the twelve months ended December 31, 2015, 59.9% of our total revenues were generated by our Financial Services segment and 38.7% of our total revenues were generated by our Real Estate Services segment, with approximately 1.4% generated within the corporate category. As a result, our revenues and profitability are likely to decline significantly during periods of low trading volume in the financial markets in which we offer our products and services and may be similarly impacted by downturns in the commercial real estate markets.

The global financial services and the commercial real estate markets are, by their nature, risky and volatile and are directly affected by many national and international factors that are beyond our control. Any one of these factors may cause a substantial decline in the U.S. and global financial services and commercial real estate markets, resulting in reduced transactional volume and profitability for our businesses. These factors include:

- economic and geopolitical conditions and uncertainties in the United States, Europe and elsewhere in the world, including government deficits, debt and possible defaults, austerity measures, changes in interest rates, and quantitative easing changes, including the level and timing of government debt issuances, purchases and outstanding amounts;
- possible shutdowns of the U.S. government, sequestrations, uncertainties regarding the federal debt ceiling and federal budget and other potential political impasses;
- the effect of Federal Reserve Board and other central bank monetary policy, increased capital requirements for banks and other financial institutions, and other regulatory requirements and political impasses;
- terrorism, war and other armed hostilities;

- inflation, deflation and wavering institutional and consumer confidence levels;
- the availability of capital for borrowings and investments by our customers and their customers;
- the level and volatility of interest rates, foreign currency exchange rates and trading in certain equity, debt and commodity markets;
- the level and volatility of the difference between the yields on corporate securities being traded and those on related benchmark securities, which we refer to as “credit spreads”;
- commercial real estate values and transaction volumes; and
- margin requirements, capital requirements, credit availability, and other liquidity concerns.

Low trading or financial services or commercial real estate transaction volumes generally result in reduced revenues. Under these conditions, our profitability is adversely affected since many of our costs are fixed. In addition, although less common, some of our financial services or commercial real estate transaction revenues are determined on the basis of the value of transactions or on spreads. For these reasons, substantial decreases in trading volume or declining prices or spreads could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Any downgrades of the U.S. sovereign credit rating by one or more of the major credit rating agencies could have material adverse effects on financial and commercial real estate markets and economic conditions in the U.S. and throughout the world and, in turn, could have a material adverse impact on our businesses, financial condition, results of operations, and prospects. Because of the unprecedented nature of any negative credit rating actions with respect to U.S. government obligations, the ultimate impacts on global markets and our businesses, financial condition, results of operations, and prospects are unpredictable and may not be immediately apparent. Additionally, the negative impact on economic conditions and global markets from further EU sovereign debt matters could adversely affect our businesses, financial condition, results of operations and prospects. Concerns about the EU sovereign debt have caused uncertainty and disruption for financial markets globally, and continued uncertainties loom over the outcome the EU’s financial support programs and the possibility that other EU member states may experience similar financial troubles. Any downgrades of the long-term sovereign credit rating of the U.S. and additional EU sovereign debt crises could cause disruption and volatility of financial markets globally and have material adverse effects on our businesses, financial condition, results of operations and prospects.

In recent months, concerns over slowing growth in China, declines in world-wide commodities prices, especially for oil, and unusual volatility in equity and debt markets have led to uncertainties about the stability of financial markets and the likely responses of governments and central banks. Any one of these factors, or others, could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Evolving Business Environments

We operate in rapidly evolving business environments. If we are unable to adapt our businesses effectively to keep pace with these changes, our ability to succeed will be adversely affected, which could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

The pace of change in the industries in which we operate is extremely rapid. Operating in such rapidly changing business environments involves a high degree of risk. Our ability to succeed will depend on our ability to adapt effectively to these changing conditions. If we are unable to keep up with rapid changes, we may not be able to compete effectively.

To remain competitive, we must continue to enhance and improve the responsiveness, functionality, accessibility and features of our proprietary software, network distribution systems and technologies. Our business environments are characterized by rapid technological changes, changes in user and customer requirements and preferences, frequent product and service introductions embodying new technologies and the emergence of new industry standards and practices that could render our existing proprietary technology and systems obsolete. Our success will depend, in part, on our ability to:

- develop, license and defend intellectual property useful in our businesses;
- enhance our existing products and services;
- develop new products and services and technologies that address the increasingly sophisticated and varied needs of our existing and prospective customers;
- respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis;
- respond to the demand for new products, services and technologies on a cost-effective and timely basis; and
- adapt to technological advancements and changing standards to address the increasingly sophisticated requirements and varied needs of our customers and prospective customers.

There can be no assurance that we will be able to respond in a timely manner to changing conditions or customer requirements. In our Financial Services businesses, the development of proprietary electronic trading technology entails significant technical, financial and business risks. Further, the adoption of new Internet, networking or telecommunications technologies may require us to devote substantial resources to modify, adapt and defend our technology. There can be no assurance that we will successfully implement new technologies or adapt our proprietary technology and transaction-processing systems to customer requirements or emerging industry standards, or that we will be able to successfully defend any challenges to any technology we develop. Any failure on our part to anticipate or respond adequately to technological advancements, customer requirements or changing industry standards, or any significant delays in the development, introduction or availability of new products, services or technologies, could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Geographic Concentration

Our businesses are geographically concentrated and could be significantly affected by any adverse change in the regions in which we operate.

Historically, our business operations have been substantially located in the U.S. and the U.K. While we are expanding our businesses to new geographic areas, we are still highly concentrated in these areas. Because we derived approximately 58.3% and approximately 24.6%, respectively, of our total revenues on a consolidated basis for the year ended December 31, 2015 from our operations in the U.S. and the U.K., respectively, our businesses are exposed to adverse regulatory and competitive changes, economic downturns and changes in political conditions in these countries. If we are unable to identify and successfully manage or mitigate these risks, our businesses, financial condition, results of operations and prospects could be materially adversely affected.

New Opportunities/Possible Transactions and Hires

If we are unable to identify and successfully exploit new product and service and market opportunities, including through hiring new brokers, salespeople, managers and other professionals, our businesses, financial condition, results of operations and prospects could be materially adversely affected.

As more participants enter the markets in which we operate, the resulting competition often leads to lower commissions and fees. This may result in a decrease in revenues in a particular market even if the volumes, prices, or spreads of transactions we handle in that market increases. As a result, our strategy is to broker more transactions, manage more properties and increase market share in existing markets and to seek out new customers and markets. We may face enhanced risks as these efforts to expand our businesses result in our transacting with a broader array of customers and counterparties and expose us to new products and services and markets. Pursuing this strategy may also require significant management attention and hiring expense and potential costs and liability in any litigation or arbitration that may result. We may not be able to attract new customers or brokers, salespeople, managers, or other professionals or successfully enter new markets. In addition, we may be prevented or limited from hiring new brokers, salespeople, managers or other professionals for some period by contract, such as our one-year agreement with Tullett not to hire each other's employees, including desk heads, which expired in January 2016, or by regulatory restrictions or limitations. If we are unable to identify and successfully exploit new products and services and market opportunities, our businesses, financial condition, results of operations and prospects could be materially adversely affected.

In addition to hiring brokers, salespeople, managers and other professionals, we may pursue strategic alliances, acquisitions, joint ventures or other opportunities, which could present unforeseen integration obstacles or costs and could dilute our stockholders. We may also face competition in our acquisition strategy, as well as potential regulatory restrictions or limitations, which may limit our number of strategic alliances, acquisitions, joint ventures and other growth opportunities. Such transactions may materially adversely impact our businesses, financial condition, results of operations and prospects.

We have explored a wide range of strategic alliances, acquisitions and joint ventures with other financial and real estate services firms, including maintaining or developing relationships with independently owned offices in our Real Estate Services businesses, and with other companies that have interests in businesses in which there are brokerage, management, or other strategic opportunities. We also may make acquisitions outside of our existing industries, such as we did when we first entered the commercial real estate business beginning in 2011 with our acquisitions of Newmark and Grubb & Ellis.

We continue to evaluate and potentially pursue possible strategic alliances, acquisitions, and joint ventures in both of our business segments and to explore opportunities in other industries. Such transactions may be necessary in order for us to enter into or develop new products or services or markets, as well as to strengthen our current ones.

Strategic alliances, acquisitions, joint ventures and new hires involve a number of operational, regulatory, and financial risks and challenges, including:

- potential disruption of our ongoing businesses and product and service and market development and distraction of management;

- difficulty retaining and integrating personnel and integrating administrative, operational, financial reporting, internal control, compliance, and other systems;
- the necessity of hiring additional management and other critical personnel and integrating them into current operations while maintaining legal and regulatory compliance;
- increasing the scope, geographic diversity and complexity of our operations;
- potential dependence upon, and exposure to liability, loss or reputational damage relating to systems, controls and personnel that are not under our control;
- addition of business lines in which we have not previously engaged;
- potential unfavorable reaction to our strategic alliance, acquisition or joint venture strategy by our customers;
- to the extent that we pursue opportunities outside the U.S., exposure to political, economic, legal, regulatory, operational and other risks that are inherent in operating in a foreign country, including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls and other restrictive government actions, as well as the outbreak of hostilities;
- the upfront costs associated with pursuing transactions and recruiting personnel, which efforts may be unsuccessful;
- conflicts or disagreements between any strategic alliance or joint venture partner and us;
- exposure to additional liabilities of any acquired business, strategic alliance or joint venture; and
- dilution resulting from any issuances of shares of our Class A common stock or limited partnership units in connection with strategic alliances, acquisitions, joint ventures or new hires.

We expect to face competition for acquisition targets, which may limit our number of acquisitions and growth opportunities and may lead to higher acquisition prices. There can be no assurance that we will be able to identify, acquire or profitably manage additional businesses or integrate successfully any acquired businesses without substantial costs, delays or other operational, regulatory or financial difficulties.

In addition, the acquisition of regulated firms generally requires the consent of the home jurisdiction regulator in which the target is domiciled and those jurisdictions in which the target has regulated subsidiaries. In certain circumstances one or more of these regulators may withhold their consent, impose restrictions or make their consent subject to conditions which may result in increased costs or delays.

In both of our business segments, any future growth will be partially dependent upon the continued availability of suitable transactional candidates at favorable prices and upon advantageous terms and conditions, which may not be available to us, as well as sufficient liquidity and credit to fund these transactions. Future transactions and any necessary related financings also may involve significant transaction-related expenses, which include payment of break-up fees, assumption of liabilities, including compensation, severance and lease termination costs, and transaction and deferred financing costs, among others. In addition, there can be no assurance that such transactions will be accretive or generate favorable operating margins. The success of these transactions will also be determined in part by the ongoing performance of the acquired companies and the acceptance of acquired employees of our partnership compensation structure and other variables which may be different from the existing industry standards or practices at the acquired companies.

Management will need to successfully manage the integration of recent acquisitions and future growth effectively. The integration and additional growth may place a significant strain upon our management, administrative, operational, financial reporting, internal control and compliance infrastructure. Our ability to grow depends upon our ability to successfully hire, train, supervise and manage additional employees, expand our operational, financial reporting, compliance and other control systems effectively, allocate our human resources optimally, maintain clear lines of communication between our transactional and management functions and our finance and accounting functions, and manage the pressure on our management, administrative, operational, financial reporting, internal control and compliance infrastructure. Additionally, managing future growth may be difficult due to our new geographic locations, markets and business lines. As a result of these risks and challenges, we may not realize the full benefits that we anticipate from strategic alliances, acquisitions, joint ventures or new hires. There can be no assurance that we will be able to accurately anticipate and respond to the changing demands we will face as we integrate and continue to expand our operations, and we may not be able to manage growth effectively or to achieve growth at all. Any failure to manage the integration of acquisitions and future growth effectively could have a material adverse effect on our business, financial condition, results of operations and prospects.

Liquidity, Funding and Indebtedness

Liquidity is essential to our businesses, and insufficient liquidity could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Liquidity is essential to our businesses. Failures of financial institutions have often been attributable in large part to insufficient liquidity. Liquidity is of particular importance to our trading businesses, and perceived liquidity issues may affect the willingness of our customers and counterparties to engage in transactions with us in both of our operating segments. Our liquidity could be impaired due to circumstances that we may be unable to control, such as a general market disruption or an operational problem that affects our trading customers or counterparties, other third parties or us.

We are a parent holding company with no direct operations. We conduct substantially all of our operations through our operating subsidiaries. We do not have any material assets other than our direct and indirect ownership in the equity of our subsidiaries, BGC U.S. and BGC Global, and their respective operating subsidiaries. As a result, our operating cash flow is dependent upon the earnings of our subsidiaries. In addition, we are dependent on the distribution of earnings, loans or other payments by our subsidiaries to us. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to any of our subsidiaries, we, as an equity owner of such subsidiary, and therefore holders of our securities, including our notes, will be subject to the prior claims of such subsidiary's creditors, including trade creditors, and any preferred equity holders. Any dividends declared by us, any payment by us of our indebtedness or other expenses, and all applicable taxes payable in respect of our net taxable income, if any, are paid from cash on hand and funds received from distributions, loans or other payments from BGC U.S. and BGC Global. Regulatory, tax restrictions or elections, and other legal or contractual restrictions may limit our ability to transfer funds freely from our subsidiaries. In particular, many of our subsidiaries, including our broker-dealer subsidiaries, are subject to laws, regulations, and self-regulatory organization rules that authorize regulatory bodies to block or reduce the flow of funds to a parent holding company, or that prohibit such transfers altogether in certain circumstances. These laws, regulations and rules may hinder our ability to access funds that we may need to meet our obligations. Certain debt and security agreements entered into by our subsidiaries contain various restrictions, including restrictions on payments by our subsidiaries to us and the transfer by our subsidiaries of assets pledged as collateral. To the extent that we need funds to pay dividends, repay indebtedness and meet other expenses, or to pay taxes on our share of BGC U.S.'s and BGC Global's net taxable income, and either BGC U.S. or BGC Global or their respective subsidiaries are restricted from making such distributions under applicable law, regulations, or agreements, or are otherwise unable to provide such funds, it could materially adversely affect our businesses, financial condition, results of operations and prospects, including our ability to raise additional funding, including through access to the debt and equity capital markets.

Our ability to raise funding in the long-term or short-term debt capital markets or the equity capital markets, or to access secured lending markets, has in the past been and could in the future be adversely affected by conditions in the U.S. and international economy and markets, with the cost and availability of funding adversely affected by illiquid credit markets and wider credit spreads. To the extent we are not able to access the debt capital markets on acceptable terms in the future, we may seek to raise funding and capital through equity issuances or other means.

Future turbulence in the U.S. and international economy and markets may adversely affect our liquidity and financial condition and the willingness of certain customers and counterparties to do business with each other or with us. Acquisitions and financial reporting obligations related thereto may impact our ability to access capital markets on a timely basis and may necessitate greater short-term borrowing in the interim, which in turn may adversely affect the interest rates on our debt and our credit ratings and associated outlooks.

Our funding base consists of longer-term capital (equity, notes payable and collateralized borrowings), shorter-term liabilities and accruals that are a natural outgrowth of specific assets and/or our Financial Services business model, such as matched fails and accrued compensation. We generally have had limited need for short-term unsecured funding in our Financial Services segment. We may, however, need to access short-term capital sources to meet business needs from time to time, including, but not limited to, financing acquisitions, conducting operations, hiring or retaining brokers, providing liquidity and funding fails, including in situations where we may not be able to access the capital markets in a timely manner when desired by us. Contingent liquidity needs are largely limited to potential cash collateral that may be needed to meet clearing bank, clearinghouse and exchange margins and/or to fund fails. A significant portion of our cash is held in our largest regulated entities, and we believe that cash in and available to these entities, inclusive of financing provided by clearing banks, is adequate for potential cash demands of normal operations such as margin or funding fails.

In our Real Estate Services segment, we generally have had limited need for short-term unsecured funding. We may, however, have need to access short-term capital sources in order to meet business needs from time to time, including, but not limited to, financing acquisitions, conducting operations or hiring or retaining real estate brokers, salespeople, managers, and other professionals. Our inability to secure such short-term capital may have an adverse impact on our Real Estate Services business.

We have debt, which could adversely affect our ability to raise additional capital to fund our operations and activities, limit our ability to react to changes in the economy or our industries, expose us to interest rate risk and prevent us from meeting our obligations under our indebtedness.

Our indebtedness, which at January 31, 2016 included $112.5 million aggregate principal amount of 8.125% Senior Notes, $300.0 million aggregate principal amount of 5.375% Senior Notes, $240.0 million aggregate principal amount of 8.375% Senior Notes assumed in the acquisition of GFI, $160.0 million aggregate principal amount of 4.50% Convertible Notes, and $23.0 million in collateralized debt, has important consequences, including:

- it may limit our ability to borrow money, dispose of assets or sell equity to fund our working capital, capital expenditures, dividend payments, debt service, strategic initiatives or other obligations or purposes;
- it may limit our flexibility in planning for, or reacting to, changes in the economy, the markets, regulatory requirements, our operations or businesses;
- we may be more highly leveraged than some of our competitors, which may place us at a competitive disadvantage;
- it may make us more vulnerable to downturns in the economy or our businesses; and
- there would be a material adverse effect on our businesses, financial condition, results of operations and prospects if we were unable to service our indebtedness or obtain additional financing or refinance our existing debt on terms acceptable to us.

In our Financial Services businesses, we are dependent upon the availability of adequate funding and sufficient regulatory capital and clearing margin. Clearing margin is the amount of cash, guarantees or similar collateral that we must provide or deposit with our third-party clearing organizations in support of our obligations under contractual clearing arrangements with these organizations. Historically, these needs have been satisfied from internally generated funds and proceeds from debt and equity financings. We have also relied on Cantor's support to clear our transactions in U.S. Treasury and U.S. government agency products under the clearing agreement we entered into with Cantor in November 2008. If for any reason we need to raise additional funds, including in order to meet increased regulatory capital requirements and/or increased clearing margin requirements arising from growth in our brokerage businesses, to complete acquisitions or otherwise, we may not be able to obtain additional financing when needed. If we cannot raise additional funds on acceptable terms, we may not be able to develop or enhance our businesses, take advantage of future growth opportunities or respond to competitive pressure or unanticipated requirements.

We may incur substantially more debt or take other actions which would intensify the risks discussed herein.

We may incur substantial additional debt in the future, some of which may be secured debt. We are not restricted under the terms of the indentures governing our 8.125% Senior Notes, 5.375% Senior Notes, 8.375% Senior Notes, and 4.50% Convertible Notes from incurring additional debt, securing existing or future debt (with certain exceptions, including to the extent already secured), recapitalizing our debt or taking a number of other actions that are not limited by the terms of our debt instruments that could have the effect of diminishing our ability to make payments on our debt when due.

Our acquisitions may require significant cash resources and may lead to a significant increase in the level of our indebtedness.

Our acquisitions, such as that of GFI or other potential future acquisitions, may lead to a significant increase in the level of our indebtedness. On January 12, 2016, we completed the merger with GFI by acquiring 100 percent of GFI's outstanding shares. In December 2014, we issued our 5.375% Senior Notes in anticipation of the tender offer which initiated such acquisition. As part of the GFI acquisition, we assumed $240.0 million in aggregate principal amount of GFI 8.375% Senior Notes due July 2018, and $60.0 million in short-term borrowings related to a GFI credit facility, which has since been repaid. In addition, on March 13, 2015, we entered into a secured loan arrangement of $28.2 million under which we pledged certain fixed assets as security for a loan. This arrangement incurs interest at a fixed rate of 3.70% and matures on April 1, 2019. Partially offsetting these increases to our indebtedness, on April 13, 2015, our $150.0 million of 8.75% Convertible Senior Notes, due April 15, 2015, were fully converted into approximately 24.0 million shares of our Class A common stock, which were issued to Cantor. Further, in December 2015 we completed the sale of our Trayport business in exchange for 2,527,658 shares of Intercontinental Exchange, Inc. ("ICE") common stock, of which 2,030,203 shares have been sold as of February 22, 2016. We may also enter into other short- or long-term financing arrangements in connection with similar acquisitions which may occur from time to time. In addition, in connection with the GFI acquisition, we incurred substantial non-recurring transaction costs, including break-up fees, assumption of liabilities and expenses, and compensation expenses and we would likely incur similar expenses in connection with other acquisitions. The increased level of our consolidated indebtedness in connection with the GFI acquisition or other potential acquisitions may restrict our ability to raise additional capital on favorable terms, and such leverage, and any resulting liquidity or credit issues, could have a material adverse effect our businesses, financial condition, results of operations and prospects.

We may not have the funds necessary to repurchase the 4.50% Convertible Notes upon a fundamental change or the 8.125% Senior Notes, the 5.375% Senior Notes or the 8.375% Senior Notes upon a change of control triggering event as required by the indentures governing these notes.

Holders may require us to repurchase their 4.50% Convertible Notes for cash upon a fundamental change as described in the indentures governing the Convertible Notes. In addition, upon the occurrence of a "change of control triggering event" (as defined in the indentures governing the 8.125% Senior Notes, the 5.375% Senior Notes and the 8.375% Senior Notes), unless we have exercised our right to redeem such notes, holders of the notes will have the right to require us to repurchase all or any part of their notes at a price in cash equal to 100% of the then-outstanding aggregate principal amount of the notes repurchased plus accrued and unpaid interest, if any. There can be no assurance that we would have sufficient, available financial resources, or would be able to arrange financing, to pay in cash the fundamental change repurchase price in full for the 4.50% Convertible Notes surrendered by the holders or to repurchase the 8.125% Senior Notes, the 5.375% Senior Notes or the 8.375% Senior Notes upon a "change of control triggering event." A failure by us to repurchase the notes when required would result in an event of default with respect to the notes. In addition, such failure may also constitute an event of default and result in the effective acceleration of the maturity of our other then-existing indebtedness.

The fundamental change provisions in the 4.50% Convertible Notes and the requirement to offer to repurchase the 8.125% Senior Notes, the 5.375% Senior Notes and the 8.375% Senior Notes upon a "change of control triggering event" may delay or prevent an otherwise beneficial takeover attempt of us.

The fundamental change purchase rights in the indentures governing the 4.50% Convertible Notes, which will allow noteholders to require us to purchase all or a portion of their notes upon the occurrence of a fundamental change (as defined in such indentures), along with the provisions requiring an increase in the conversion rate for conversions in connection with make-whole fundamental changes may in certain circumstances delay or prevent a takeover of us and/or the removal of our incumbent management that might otherwise be beneficial to holders of our Class A common stock. In addition, the requirement to offer to repurchase the 8.125% Senior Notes, the 5.375% Senior Notes and the 8.375% Senior Notes upon a "change of control triggering event" may in certain circumstances delay or prevent a takeover of us and/or the removal of incumbent management that might otherwise be beneficial to investors in our Class A common stock.

Conversion of the 4.50% Convertible Notes may dilute the ownership interest of existing Class A common stockholders, and sales of the underlying shares may depress the market price of our Class A common stock.

The conversion of some or all of the 4.50% Convertible Notes may dilute the ownership interests of existing Class A common stockholders, including as a result of any adjustment to the conversion rate on the notes due to our payment of cash dividends above a specified rate. Any sales in the public market of any shares of our Class A common stock issuable upon conversion could depress the market price of our Class A common stock.

If we elect cash settlement or a combination settlement of the 4.50% Convertible Notes, it may have adverse consequences.

In lieu of delivery of shares of our Class A common stock in satisfaction of our obligation upon conversion of the 4.50% Convertible Notes, we may settle the notes surrendered for conversion entirely in cash or in a combination of cash and shares. This feature of the 4.50% Convertible Notes may result in noteholders receiving no shares upon conversion or fewer shares relative to the conversion value of the notes, but could reduce our liquidity if we pay the conversion price in whole or in part in cash.

The accounting method for certain convertible debt securities, such as the 4.50% Convertible Notes, could have a material adverse effect on our reported financial results.

The Financial Accounting Standards Board has issued accounting guidance for convertible debt that may be settled in cash upon conversion. Under this accounting guidance, an entity must separately account for the liability and equity components of convertible debt instruments, such as our 4.50% Convertible Notes, that may be settled in cash or partially in cash upon conversion in a manner that reflects the issuer's economic interest cost. The guidance requires the fair value of the conversion option of the 4.50% Convertible Notes to be reported as a component of stockholders' equity and included in additional paid-in capital on our consolidated statements of financial condition. The value of the conversion option of the 4.50% Convertible Notes has been reported as a discount to the notes. We will report lower net income in our financial results because interest will include both the current period's amortization of the debt discount (non-cash interest), as well as the instrument's cash interest.

Intellectual Property

We may not be able to protect our intellectual property rights or may be prevented from using intellectual property necessary for our businesses.

Our success is dependent, in part, upon our intellectual property, including our proprietary technology. We generally rely primarily on trade secret, contract, patent, copyright, and trademark law in the U.S. and other jurisdictions as well as confidentiality procedures and contractual provisions to establish and protect our intellectual property rights to proprietary technologies, products, services or methods, and our brand. For example, we regularly file patent applications to protect inventions arising from our research and development, and we are currently pursuing patent applications around the world. We also control access to our proprietary technology, and enter into confidentiality and invention assignment agreements with our employees and consultants and confidentiality agreements with other third parties.

It is possible that third parties may copy or otherwise obtain and use our proprietary technologies without authorization or otherwise infringe on our rights despite our precautions. Unauthorized use of our intellectual property could make it more expensive to do business and harm our operating results. We cannot ensure that our intellectual property rights are sufficient to protect our competitive advantages or that any particular patent, copyright, or trademark is valid and enforceable, and all patents ultimately expire. In addition, the laws of some foreign countries may not protect our intellectual property rights to the same extent as the laws in the U.S., or at all. Any significant impairment of our intellectual property rights could harm our businesses or our ability to compete. For example, reductions in the legal protection for software intellectual property rights could materially adversely affect our revenues.

Protecting our intellectual property rights is costly and time consuming. Many companies, including those in the computer and financial services industries own large numbers of patents, copyrights, and trademarks and sometimes file lawsuits based on allegations of infringement or other violations of intellectual property rights. In addition, over the past few years there has been a proliferation of patents applicable to these industries and a substantial increase in the number of such patent applications filed. Under current law, U.S. patent applications typically remain secret for 18 months or, in some cases, until a patent is issued. Because of technological changes in these industries, current extensive patent coverage, and the rapid rate of issuance of new patents, it is possible certain components of our products and services may unknowingly infringe existing patents or other intellectual property rights of others. Although we have taken steps to protect ourselves, there can be no assurance that we will be aware of all patents, copyrights or trademarks that may pose a risk of infringement by our products and services. Generally, it is not economically practicable to determine in advance whether our products or services may infringe the present or future rights of others.

Accordingly, we may face claims of infringement or other violations of intellectual property rights that could interfere with our ability to use intellectual property or technology that is material to our businesses. In addition, restrictions on the distribution of some of the market data generated by our brokerage desks could limit the comprehensiveness and quality of the data we are able to distribute or sell. The number of such third-party claims may grow. Our technologies may not be able to withstand such third-party claims or rights against their use.

We may have to rely on litigation to enforce our intellectual property rights, protect our trade secrets, determine the validity and scope of the rights of others or defend against claims of infringement or invalidity. Any such claims or litigation, whether successful or unsuccessful, could result in substantial costs, the diversion of resources, and the attention of management, any of which could materially negatively affect our businesses. Responding to these claims could also require us to enter into royalty or licensing agreements with the third parties claiming infringement, stop selling or redesign affected products or services or pay damages on our own behalf or to satisfy indemnification commitments with our customers. Such royalty or licensing agreements, if available, may not be available on terms acceptable to us, and may cause our operating margins to decline.

If our software licenses from third parties are terminated or adversely changed or amended or contain material defects or errors, or if any of these third parties were to cease doing business or if products or services offered by third parties were to contain material defects or errors, our ability to operate our businesses may be materially adversely affected.

We license databases and software from third parties, much of which is integral to our systems and our businesses. The licenses are terminable if we breach our obligations under the license agreements. If any material licenses were terminated or adversely changed or amended, if any of these third parties were to cease doing business or if any licensed software or databases licensed by these third parties were to contain material defects or errors, we may be forced to spend significant time and money to replace the licensed software and databases, and our ability to operate our businesses may be materially adversely affected. Further, any errors or defects in third-party services or products (including hardware, software, databases, cloud computing and other platforms and systems) or in services or products that we develop ourselves, could result in errors in, or a failure of our services or products, which could harm our business. Although we take steps to locate replacements, there can be no assurance that the necessary replacements will be available on acceptable terms, if at all. There can be no assurance that we will have an ongoing license to use all intellectual property which our systems require, the failure of which could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Defects or disruptions in our technology or services could diminish demand for our products and service and subject us to liability.

Because our technology, products and services are complex and use or incorporate a variety of computer hardware, software and databases, both developed in-house and acquired from third party vendors, our technology, products and services may have errors or defects. Errors and defects could result in unanticipated downtime or failure, and could cause financial loss and harm to our reputation and our business. We have from time to time found defects and errors in our technology, products and service and defects and errors in our technology, products or services may be detected in the future. In addition, our customers may use our technology, products and services in unanticipated ways that may cause a disruption for other customers. Furthermore, as we acquire companies, we may encounter difficulty in incorporating the acquired technologies and maintaining the quality standards that are consistent with our technology, products and services. Since our customers use our technology, products and services for important aspects of their business and for financial transactions, any errors, defects, or disruptions in such technology, products and services or other performance problems with our technology, products and services could subject our customers to financial loss and hurt our reputation.

IT Systems and Cybersecurity Risks

If we experience computer systems failures or capacity constraints, our ability to conduct our business operations could be materially harmed.

If we experience computer systems failures or capacity constraints, our ability to conduct our business operations could be harmed. We support and maintain many of our computer systems and networks internally. Our failure to monitor or maintain these systems and networks or, if necessary, to find a replacement for this technology in a timely and cost-effective manner, could have a material adverse effect on our ability to conduct our business operations.

Although all of our business critical systems have been designed and implemented with fault tolerant and/or redundant clustered hardware and diversely routed network connectivity, our redundant systems or disaster recovery plans may prove to be inadequate. Although we operate four geographically disparate main data centers **,** they could be subject to failure due to environmental factors, power outage and other factors. We may be subject to system failures and outages which might impact our revenues and relationships with customers. In addition, we will be subject to risk in the event that systems of our customers, business partners, counterparties, vendors, and other third parties, including exchanges and clearing organizations, are subject to failures and outages.

We rely on various third parties for computer and communications systems, such as telephone companies, online service providers, data processors, and software and hardware vendors. Our systems, or those of our third-party providers, may fail or operate slowly, causing one or more of the following, which may not in all cases be covered by insurance:

- unanticipated disruptions in service to our customers;
- slower response times;
- delays in our customers' trade executions;
- failed settlement of trades;
- incomplete or inaccurate accounting, recording or processing of trades;
- financial losses;
- litigation or other customer claims; and
- regulatory actions.

We may experience additional systems failures in the future from power or telecommunications failures, acts of God or war, weather-related events, terrorist attacks, human error, natural disasters, fire, power loss, sabotage, cyber-attacks, hardware or software malfunctions or defects, computer viruses, intentional acts of vandalism and similar events. Any system failure that causes an interruption in service or decreases the responsiveness of our service, including failures caused by customer error or misuse of our systems, could damage our reputation, business and brand name.

Malicious cyber-attacks and other adverse events affecting our operational systems or infrastructure, or those of third parties, could disrupt our businesses, result in the disclosure of confidential information, damage our reputation and cause losses or regulatory penalties.

Our businesses require us to process and monitor, on a daily basis, a very large number of transactions, many of which are highly complex, across numerous and diverse markets in many currencies. Developing and maintaining our operational systems and infrastructure is challenging, particularly as a result of rapidly evolving legal and regulatory requirements and technological shifts. Our financial, accounting, data processing or other operating and compliance systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, such as a malicious cyber-attack or other adverse events, which may adversely affect our ability to process these transactions or provide services.

In addition, our operations rely on the secure processing, storage and transmission of confidential and other information on our computer systems and networks. Although we take protective measures such as software programs, firewalls and similar technology to maintain the confidentiality, integrity and availability of our and our customers' information, and endeavor to modify these protective measures as circumstances warrant, the nature of cyber threats continues to evolve. As a result, our computer systems, software and networks may be vulnerable to unauthorized access, loss or destruction of data (including confidential customer information), account takeovers, unavailability or disruption of service, computer viruses, acts of vandalism, or other malicious code, cyber-attack and other adverse events that could have an adverse security impact. Despite the defensive measures we have taken, these threats may come from external factors such as governments, organized crime, hackers, and other third parties such as outsource or infrastructure-support providers and application developers, or may originate internally from within us. Given the high volume of transactions, certain errors may be repeated or compounded before they are discovered and rectified.

We also face the risk of operational disruption, failure, termination or capacity constraints of any of the third parties that facilitate our business activities, including customers, counterparties, exchanges, clearing agents, clearinghouses or other financial intermediaries. Such parties could also be the source of a cyber-attack on or breach of our operational systems, data or infrastructure.

There have been an increasing number of cyber-attacks in recent years in various industries, including ours, and cyber security risk management has been the subject of increasing focus by our regulators. If one or more cyber-attacks occur, it could potentially jeopardize the confidential, proprietary and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our, as well as our customers' or other third parties', operations, which could result in reputational damage, financial losses, customer dissatisfaction and/or regulatory penalties, which may not in all cases by covered by insurance. Any such cyber incidents involving our computer systems and networks, or those of third parties important to our businesses, could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Our financial services regulators in recent years have increased their examination and enforcement focus on matters relating to cybersecurity threats, including the assessment of firms' vulnerability to cyber-attacks. In particular, regulatory concerns have been raised about firms establishing effective cybersecurity governance and risk management policies, practices and procedures; protecting firm networks and information; identifying and addressing risk associated with remote access to client information and fund transfer requests; identifying and addressing risks associated with customers business partners, counterparties, vendors, and other third parties, including exchanges and clearing organizations; preventing and detecting unauthorized activities; adopting effective mitigation and business continuity plans to address the impact of cybersecurity breaches; and establishing protocols for reporting cybersecurity incidents. While any insurance that we may have that covers a specific cybersecurity incident may help to prevent our realizing a significant loss from the incident, it would not protect us from the effects of adverse regulatory actions that may result from the incident or a finding that we had inadequate cybersecurity controls, including the reputational harm that could result from such regulatory actions.

Natural Disasters, Weather-Related Events, Terrorist Attacks, and Other Disruptions to Infrastructure May Adversely Affect Our Businesses

Our ability to conduct our businesses may be materially adversely impacted by catastrophic events, including natural disasters, weather-related events, terrorist attacks, and other disruptions.

We may encounter disruptions involving power, communications, transportation or other utilities or essential services depended on by us or by third parties with whom we conduct business, such as was the case with Hurricane Sandy in 2012. This could include disruptions as the result of natural disasters, pandemics, or weather-related or similar events, such as fires, hurricanes, earthquakes and floods, political instability, labor strikes or turmoil or terrorist attacks. These disruptions may occur, for example, as a result of events affecting only the buildings in which we operate (such as fires), or as a result of events with a broader impact on the communities where those buildings are located. If a disruption occurs in one location and persons in that location are unable to communicate with or travel to or work from other locations, our ability to service and interact with our customers and others may suffer, and we may not be able to successfully implement contingency plans that depend on communications or travel.

Such events can result in significant injuries and loss of life, which could result in material financial liabilities, loss of business and reputational harm. They can also impact the availability and/or loss of commercial insurance policies, both for our own businesses and for those customers whose properties we manage and who may purchase their insurance through the insurance buying programs we make available to them.

There can be no assurance that the disaster recovery and crisis management procedures we employ will suffice in any particular situation to avoid a significant loss. Given that our employees are increasingly mobile and less reliant on physical presence in our offices, our disaster recovery plans increasingly rely on the availability of the Internet (including "cloud" technology) and mobile phone technology, so the disruption of those systems would likely affect our ability to recover promptly from a crisis situation. Although we maintain insurance for liability, property damage and business interruption, subject to deductibles and various exceptions, no assurance can be given that our businesses, financial condition, results of operations and prospects will not be materially negatively affected by such events in the future.

Environmental Liabilities and Regulations; Climate Risks

Our operations are affected by federal, state and/or local environmental laws in the countries in which we maintain office space for our own operations and where we manage properties for clients in our Real Estate businesses, and we may face liability with respect to environmental issues occurring at properties that we occupy or manage .

Various laws and regulations restrict the levels of certain substances that may be discharged into the environment by properties and they may impose liability on current or previous real estate owners or operators for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at the property. We may face costs or liabilities under these laws as a result of our role as an on-site property manager. Within our own operation, we face additional costs from rising costs of environmental compliance, which make it more expensive to operate our corporate offices.

Our own operations are generally conducted within leased office building space, and, accordingly, we do not currently anticipate that regulations restricting the emissions of greenhouse gases, or taxes that may be imposed on their release, would result in material costs or capital expenditures. However, we cannot be certain about the extent to which such regulations will develop as there are higher levels of understanding and commitments by different governments around the world regarding risks related to the climate and how they should be mitigated. Regulations relating to climate change may affect the scope of services we provide to clients in their managed properties, but we expect that clients would typically bear any additional costs of doing so under applicable management agreements.

We anticipate that the potential effects of climate change may impact the decisions and analysis the employees in our Real Estate businesses make with respect to the properties they evaluate or manage on behalf of clients since climate change considerations may impact the relative desirability of locations and the cost of operating and insuring the properties. Future legislation that requires specific performance levels for building operations could make non-compliant buildings more expensive, which could materially adversely affect investments in properties we have made on behalf of clients.

We also anticipate that the potential effects of climate change may impact our own operations and those of client properties we manage, especially when they are located in coastal cities. For example, during 2012 our own operations and properties we manage for clients in the northeastern United States, and in particular New York City, were impacted by Hurricane Sandy, in some cases significantly.

Key Personnel and Employees

Our ability to retain our key employees and the ability of certain key employees to devote adequate time to us are critical to the success of our businesses, and failure to do so may materially adversely affect our businesses, financial condition, results of operations and prospects.

Our people are our most important resource. We must retain the services of our key employees and strategically recruit and hire new talented employees to attract customer transactions that generate most of our revenues.

Howard W. Lutnick, who serves as our Chief Executive Officer and Chairman, is also the Chairman of the Board, President and Chief Executive Officer of Cantor and President of CFGM, the managing partner of Cantor. Stephen M. Merkel, who serves as our Executive Vice President, General Counsel and Secretary, is employed as Executive Managing Director, General Counsel and Secretary of Cantor. In addition, Messrs. Lutnick and Merkel also hold offices at various other affiliates of Cantor. These two key employees are not subject to employment agreements with us or any of our subsidiaries.

Currently, Mr. Lutnick and Mr. Merkel each spends approximately 50% of his time on our matters, although these percentages may vary depending on business developments at us or Cantor or any of our or Cantor’s affiliates. As a result, these key employees (and others in key executive or management roles whom we may hire from time to time) dedicate only a portion of their professional efforts to our businesses and operations, and there is no contractual obligation for them to spend a specific amount of their time with us and/or Cantor. These two key employees may not be able to dedicate adequate time to our businesses and operations, and we could experience an adverse effect on our operations due to the demands placed on our management team by their other professional obligations. In addition, these key employees’ other responsibilities could cause conflicts of interest with us.

The BGC Holdings limited partnership agreement, which includes non-competition and other arrangements applicable to our key employees who are limited partners of BGC Holdings, may not prevent our key employees, including Messrs. Lutnick and Merkel, whose employment by Cantor is not subject to these provisions in the BGC Holdings limited partnership agreement, from resigning or competing against us. In addition, our success in the Financial Services segment has largely been dependent on the efforts of Mr. Lutnick and our President, Shaun Lynn, and other executive officers. In the Real Estate Services segment, our success has similarly been dependent on efforts by Mr. Lutnick in connection with acquisitions and on an ongoing basis by officers such as Barry Gosin, Jimmy Kuhn and other key employees, including some who have been hired in connection with these acquisitions. Should Mr. Lutnick leave or otherwise become unavailable to render services to us, control of us would likely pass to Cantor, and indirectly pass to the then-controlling stockholder of CFGM (which is Mr. Lutnick), Cantor’s managing general partner, or to such other managing general partner as CFGM would appoint, and as a result control could remain with Mr. Lutnick. If any of our key employees in our Financial Services or Real Estate Services segments were to join an existing competitor, form a competing company, offer services to Cantor that compete with our services or otherwise leave us, some of our customers could choose to use the services of that competitor or another competitor instead of our services, which could adversely affect our revenues and as a result could materially adversely affect our businesses, financial condition, results of operations and prospects.

Internal Controls

If we fail to implement and maintain an effective internal control environment, our operations, reputation and stock price could suffer, we may need to restate our financial statements, and we may be delayed or prevented from accessing the capital markets.

We are subject to the requirements of the Sarbanes-Oxley Act of 2002 and the applicable SEC rules and regulations that require an annual management report on our internal controls over financial reporting and an attestation report by our independent registered public accounting firm on our internal controls. The management report includes, among other matters, management's assessment of the effectiveness of our internal controls over financial reporting.

Internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, internal controls over financial reporting determined to be effective can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal controls. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. As such, we could lose investor confidence in the accuracy and completeness of our financial reports, which may have a material adverse effect on our reputation and stock price.

Our ability to identify and remediate any material weaknesses in our internal controls could affect our ability to prepare financial reports in a timely manner, control our policies, procedures, operations, and assets, assess and manage our operational, regulatory, and financial risks, and integrate our acquired businesses. Similarly, we need to effectively manage any growth that we achieve in such a way as to ensure continuing compliance with all applicable internal control, financial reporting, and legal and regulatory requirements. Any failures to ensure full compliance with internal control and financial reporting requirements could result in restatement, delay or prevent us from accessing the capital markets, and harm our reputation and the market price for our Class A common stock.

Ongoing compliance with the Sarbanes-Oxley Act, as well as compliance with current and future regulatory control requirements, including those imposed or expected to be imposed by the FCA, may require significant expenses and divert management resources from our operations and could require a restructuring of our internal controls over financial reporting. Any such expenses, time reallocations, or restructuring could be disruptive and have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Seasonality

The financial services and commercial real estate services markets in which we operate are generally affected by seasonality, which could have a material adverse effect on our results of operations in a given period.

Traditionally, the financial markets around the world experience lower volume during the summer and at the end of the year due to a general slowdown in the business environment around holiday seasons, and, therefore, our transaction volume levels may decrease during those periods. The timing of local holidays also affects transaction volumes.

With respect to the commercial real estate industry, revenue and profits are generally higher in the fourth quarter of each year and lower in the first quarter. This is a result of a general focus in the real estate industry on completing or documenting transactions by calendar year-end and because certain expenses are constant through the year. While the seasonality in our two segments may be offsetting, these factors could have a material effect on our results of operations in any given period.

The seasonality of our businesses makes it difficult to determine during the course of the year whether planned results will be achieved, and thus to adjust to changes in expectations. To the extent that we are not able to identify and adjust for changes in expectations or we are confronted with negative conditions that inordinately impact seasonal norms, our businesses, financial condition, results of operations and prospects could be materially adversely affected.

RISKS RELATED TO OUR FINANCIAL SERVICES SEGMENT

General Financial Services Market Conditions

Consolidation and concentration of market share in the banking, brokerage, exchange and financial services industries could materially adversely affect our businesses, financial condition, results of operations and prospects because we may not be able to compete successfully.

In recent years, there has been substantial consolidation and concentration of market share among companies in the banking, brokerage, exchange and financial services industries, resulting in increasingly large existing and potential competitors, and increased concentration in markets dominated by some of our largest customers. In addition, some of our large broker-dealer customers, such as UBS, The Royal Bank of Scotland, Credit Suisse and Morgan Stanley have announced plans to reduce their sales and trading businesses in fixed income, currency, and commodities.

The combination of this consolidation and concentration of market share and the reduction by large customers of certain businesses may lead to increased concentration among our broker-dealer customers, which may reduce our ability to negotiate pricing and other matters with our customers and lower volumes. Additionally, the sales and trading global revenue market share has become increasingly concentrated over the past five years among five of the top investment banks across equities, fixed income, currencies and commodities asset classes.

We also face existing and potential competition from large exchanges, which seek or may seek to migrate trading from the inter-dealer market to their own. Consolidation and concentration of market share are occurring in this area as well. For example, in recent years, BATS Global Markets acquired the foreign-exchange trading venue, Hotspot from KCG Holdings and the Hong Kong Exchange and Clearing Limited acquired the London Metal Exchange, while ICE completed the acquisition of NYSE Euronext. Consolidation among exchanges may increase their financial resources and ability to compete with us.

Continued consolidation and concentration of market share in the financial services industry and especially among our customers could lead to the exertion of additional pricing pressure by our customers, impacting the commissions and spreads we generate from our brokerage services. Further, the consolidation and concentration among exchanges, and expansion by these exchanges into derivative and other non-equity trading markets, will increase competition for customer trades and place additional pricing pressure on commissions and spreads. These developments have increased competition from firms with potentially greater access to capital resources than we have. Finally, consolidation among our competitors other than exchange firms could result in increased resources and product or service offerings for our competitors. If we are not able to compete successfully in the future, our businesses, financial condition, results of operations and prospects could be materially adversely affected.

Actions taken by central banks in major global economies may have a material negative impact on our businesses.

In recent years, policies undertaken by certain central banks, such as the U.S. Federal Reserve, the European Central Bank, and the Bank of England, have involved quantitative easing or the buying and selling of currencies in the foreign exchange market. Quantitative easing involves open market transactions by monetary authorities to stimulate economic activity through the purchase of assets of longer maturity and has the effect of lowering interest rates further out on the yield curve.

For example, as of January 1, 2016, the U.S. Federal Reserve held approximately $3.7 trillion worth of long-dated U.S. Treasury and Federal Agency securities which are not being traded or hedged. This compares to $1.7 trillion at the beginning of 2011 and zero prior to September 2008. This has reduced volatility and volumes for listed and OTC interest rate products in the U.S. Although the Federal Reserve has ceased purchases, it continues to hold substantially all of the securities purchased. In addition, despite the recent increase in interest rates, the Federal Reserve may continue to use traditional methods to keep short-term interest rates low by historical standards.

Recently, central banks in other jurisdictions, including the EU, Japan and China, have undertaken quantitative easing and other steps aimed at reducing interest rates and stimulating their economies through monetary policy. In these jurisdictions also, interest rates are expected to remain low by historical standards for some time to come.

Similarly, global FX volumes were muted over various periods during the past several years, largely because certain major central banks, such as those in Japan and China and, until recently, Switzerland, intervened to keep global currencies from appreciating, and because low interest rates (themselves partially a result of quantitative easing) in most major economies make carry-trade strategies less appealing for FX market participants. In addition, increased capital requirements for banks and other financial institutions are likely to result in increased holdings of government securities, which holdings will be less likely to be traded or hedged, thus reducing further transaction volumes in those securities. Since the new capital requirements make it more expensive for the banks and other financial institutions to hold assets other than government securities, the new requirements may also reduce their trading and hedging activities in corporate and asset-backed fixed income securities as well as in various other OTC cash and derivative instruments. Moreover, many of our large bank customers have faced increasing regulatory scrutiny of their rates and FX businesses, and this may negatively impact industry volumes. These central banking policies may materially adversely affect our businesses, particularly our rates and FX operations.

The migration of OTC swaps to SEF markets may adversely impact volumes, liquidity and demand for our services in certain markets.

BGC Derivative Markets and GFI Swaps Exchange, our subsidiaries, began operating as SEFs on October 2, 2013. Both BGC Derivative Markets and GFI Swaps Exchange received permanent registration approval from the CFTC as SEFs on January 22, 2016. Mandatory Dodd-Frank Act compliant execution on SEFs by eligible U.S. persons commenced in February 2014 for “made available to trade” products, and a wide range of other rules relating to the execution and clearing of derivative products have been finalized with implementation periods in 2016 and beyond. We also maintain our ownership stake in ELX, a CFTC-approved DCM. Although we believe that BGC Derivative Markets, GFI Swaps Exchange and ELX are in compliance with applicable rules, no assurance can be given that this will always be the case, that the market for these products will not be less robust, that there may accordingly be less volume and liquidity in these markets, that there may be less demand for our services or the market in general or that the industry will not experience disruptions as customers or market participants transition to the rules associated with the Dodd-Frank Act. If such events were to occur, our businesses in these products could be significantly reduced and our businesses, financial condition, results of operations and prospects could be materially adversely affected.

Even after the award of permanent registration status to our SEFs, we will incur significant additional costs, our revenues may be lower than in the past and our financial condition and results of operations may be materially adversely affected by future events.

The Dodd-Frank Act mandated that certain cleared swaps (subject to an exemption from the clearing requirement) trade on either a DCM or SEF. The list of swaps that will be required to be cleared and therefore executed through a SEF encompasses a vast number of swaps that have been traditionally executed OTC by wholesale brokers such as us. Certain portions of the Dodd-Frank Act were effective immediately, while other portions will be effective only following rulemaking by the CFTC and SEC over an extended transition period. Additionally, the rules relating to SEFs require, among other things, that the SEF will have to comply with certain core principles to maintain registration as a SEF. These principles relate to trading and product requirements, compliance and audit-trail obligations, governance and disciplinary requirements, operational capabilities, surveillance obligations and financial information and resource requirements. In addition, SEFs will be required to maintain certain trading systems that meet the minimum functionality requirements set by the CFTC and SEC for trading in certain OTC derivatives that are required to be cleared.

While there continues to be uncertainty about the exact impact of these changes, we do know that we will be subject to a more complex regulatory framework going forward, and that there will be significant costs to prepare for and to comply with these ongoing regulatory requirements. We will incur increased legal fees, personnel expenses and other costs, as we work to analyze and implement the necessary legal structure for full compliance with all applicable regulations. There will also be significant costs related to the development, operation and enhancement of our technology relating to trade execution, trade reporting, surveillance, compliance and back-up and disaster recovery plans designed to meet the requirements of the regulators.

In addition, it is not clear at this point what the impact of these rules and regulations will be on the markets in which we currently provide our SEF services. During the continued implementation of the Dodd-Frank Act and related rules, the markets for cleared and non-cleared swaps may continue to be less robust, there may be less volume and liquidity in these markets and there may be less demand for our services.

Certain banks and other institutions may be limited in their conduct of proprietary trading and may be further limited from trading in certain derivatives. The new rules, including the proprietary trading restrictions for certain banks and other institutions, could materially impact transaction volumes and liquidity in these markets and our businesses, financial condition, results of operations and prospects could be materially adversely impacted as a result.

If we fail to continue to qualify as a SEF under any of these rules, we may be unable to maintain our position as a provider of execution and brokerage services in the markets for many of the OTC products for which we have traditionally acted as an intermediary. This would have a broad impact on us and could have a material adverse effect on our businesses, financial condition, results operations and prospects.

Our commodities derivatives activities, including those related to electricity, natural gas and environmental interests, subject us to extensive regulation, potential catastrophic events and other risks that may result in our incurring significant costs and liabilities.

We engage in the brokerage of commodities derivatives, including those involving electric power and natural gas, and related products and indices. These activities subject us and our customers to extensive regulatory oversight, involving federal, state and local and foreign commodities, energy, environmental, and other governmental laws and regulations and may result in our incurring significant costs and liabilities.

We or our clients may incur substantial costs in complying with current or future laws and regulations relating to our commodities-related activities, including trading of electricity, natural gas, and environmental interests. New regulation of OTC derivatives markets in the U.S. and similar legislation proposed or adopted abroad will impose significant new costs and new requirements on the commodities derivatives activities of us and our customers. Therefore, the overall reputation of us or our clients may be adversely affected by the current or future regulatory environment. Failure to comply with these laws and regulations may result in substantial civil and criminal penalties and fines for market participants.

The commodities-related activities of us and our clients are also subject to the risk of unforeseen catastrophic events, many of which are outside of our control, which could result in significant liabilities for us or our customers. We may not be able to obtain insurance to cover these risks, and the insurance that we have may be inadequate to cover our liabilities. The occurrence of any of such events may prevent us from performing under our agreements with customers, may impair our operations, and may result in litigation, regulatory action, negative publicity or other reputational harm, which could have a material negative effect on our businesses, financial condition, results of operations and prospects.

Regulatory/Legal

The financial services industry in which we operate is subject to significant regulation. We are subject to regulatory capital requirements on our regulated businesses, and a significant operating loss or any extraordinary charge against capital could materially adversely affect our ability to expand or, depending upon the magnitude of the loss or charge, even to maintain the current level of our businesses.

Many aspects of our businesses, like those of other financial intermediary firms, are subject to significant capital requirements. In the U.S., the SEC, FINRA, the CFTC, the NFA and various other regulatory bodies have stringent provisions with respect to capital applicable to the operation of brokerage firms, which vary depending upon the nature and extent of these entities' activities. Four of our subsidiaries, BGCF, GFI Securities LLC, Kyte Securities LLC and Mint are registered with the SEC and subject to the Uniform Net Capital Requirements. As Futures Commissions Merchants ("FCMs"), BGCF and Mint are also subject to CFTC capital requirements. BGCF is also a member of the FICC, which imposes capital requirements on its members. We also hold a 49% limited partnership interest in Aqua, a U.S. registered broker-dealer and ATS. These entities are subject to SEC, FINRA, CFTC and NFA net capital requirements. In addition, our SEFs, BGC Derivative Markets and GFI Swaps Exchange, are required to maintain financial resources to cover operating costs for at least one year, keeping at least enough cash or highly liquid securities to cover six months' operating costs.

Our international operations are also subject to capital requirements in their local jurisdictions. BGC Brokers L.P., BGC European Holdings, L.P., GFI Brokers Limited and GFI Securities Limited, which are based in the U.K., are currently subject to capital requirements established by the FCA. The FCA applies stringent provisions with respect to capital applicable to the operation of these brokerage firms, which vary depending upon the nature and extent of their activities. The provisions relating to capital and liquidity requirements enforced by the FCA have undergone significant change in recent years, and our U.K. businesses are now required to maintain significantly higher regulatory levels of capital than they have in the past.

In addition, the majority of our other foreign subsidiaries are subject to similar regulation by the relevant authorities in the countries in which they do business, such as Australia, France and Hong Kong. These regulations often include minimum capital requirements, which are subject to change. Further, we may become subject to capital requirements in other foreign jurisdictions in which we currently operate or in which we may enter.

We expect to continue to maintain levels of capital in excess of regulatory minimums. Should we fail to maintain the required capital, we may be required to reduce or suspend our broker-dealer operations during the period that we are not in compliance with capital requirements, and may be subject to suspension or revocation of registration or withdrawal of authorization or other disciplinary action from domestic and international regulators, which would have a material adverse effect on us. In addition, should we fail to maintain the capital required by clearing organizations of which we are a member, our ability to clear through those clearing organizations may be impaired, which may materially adversely affect our ability to process trades.

If the capital rules are changed or expanded, or if there is an unusually large charge against capital, our operations that require the intensive use of capital would be limited. Our ability to withdraw capital from our regulated subsidiaries is subject to restrictions, which, in turn, could limit our ability to pay our indebtedness and other expenses, dividends on our Class A common stock, and distributions on our BGC Holdings limited partnership interests, and to repurchase shares of our Class A common stock or purchase BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners and others, and pursue strategic acquisitions or other growth opportunities. We cannot predict our future capital needs or our ability to obtain additional financing. No assurance can be given that required capital levels will remain stable or that we will not incur substantial expenses in connection with maintaining current or increased capital levels or engaging in business restructurings or other activities in response to these requirements.

In addition, financial intermediary firms such as ours are subject to numerous conflicts of interests or perceived conflicts, including for example principal trading and trading to make markets. We have adopted various policies, controls and procedures to address or limit actual or perceived conflicts, and we will regularly seek to review and update our policies, controls and procedures. However, these policies, controls and procedures may result in increased costs and additional operational personnel. Failure to adhere to these policies, controls and procedures may result in regulatory sanctions or customer claims.

Our businesses, financial condition, results of operations and prospects could be materially adversely affected by new laws, rules or regulations or by changes in existing law, rules or regulations or the application thereof.

The financial services industry, in general, is heavily regulated. Proposals for additional legislation further regulating the financial services industry are periodically introduced in the U.S., the EU and other geographic areas. Moreover, the agencies regulating the financial services industry also periodically adopt changes to their rules and regulations, particularly as these agencies have increased the focus and intensity of their regulation of the financial services industry.

Changes in legislation and in the rules and regulations promulgated by the SEC, FINRA, the CFTC, the NFA, the U.S. Treasury, the FCA, the European Commission, the European Securities and Market Authority and other domestic and international regulators and self-regulatory organizations, as well as changes in the interpretation or enforcement of existing laws and rules, often directly affect the method of operation and profitability of broker-dealers and could result in restrictions in the way we conduct our businesses. For example, the U.S. Congress, the U.S. Treasury, the Board of Governors of the Federal Reserve System, SEC and the CFTC are continuing to review the nature and scope of their regulation and oversight of the government securities markets and U.S. markets. The final draft of the

Markets in Financial Instruments Directive Level 2 Regulatory Technical Standards (“MiFID II”) was published by the European Securities and Markets Authority (“ESMA”) in September 2015 where implementation is now expected to commence in January 2018. MiFID II will have a particularly significant impact in a number of key areas, including corporate governance, transaction reporting, pre- and post-trade transparency, technology synchronization, best execution and investor protection. MiFID II will also introduce a new regulated execution venue category known as the Organized Trading Facility, and there is currently expected to be a joint equivalence assessment by EU and non-EU jurisdictions for granting mutual access to their respective domestic marketplaces. Therefore, uncertainties resulting from the possibility of additional legislation and/or regulation could materially adversely impact our businesses. Failure to comply with any of these laws, rules or regulations could result in fines, penalties, restrictions or limitations on business activity, suspension or expulsion from the industry, any of which could have a material adverse effect upon us.

In July 2013, the European Commission and the CFTC announced the “Path Forward” on the potential alignment of OTC derivatives regulations between the two jurisdictions. For the EU, this involves the implementation of the European Market Infrastructure Regulation and MiFID II. The CFTC and the European Commission are still in the process of finalizing rules for the implementation of these requirements and, as an additional factor, the SEC is anticipated to begin formalizing their own set of policies impacting security-based swap products in 2016. The actual implementation of any such collective rules may be phased in over a longer period. There can be no guarantee that the final rules will not negatively impact our volumes or revenues or fundamentally alter the historical relationship between OTC wholesale brokers and our clients, which may have a material adverse effect on us.

Similarly, while the recently adopted Volcker Rule will not apply directly to us, once effective, the Volcker Rule may have a material impact on many of the banking and other institutions with which we do business or compete. There may be a continued uncertainty regarding the application of the Volcker Rule, its impact on various affected businesses, how those businesses will respond to it, and the effect that it will have on the markets in which we do business.

Other regulatory initiatives include Basel III (or the Third Basel Accord), a global regulatory standard on bank capital adequacy, stress testing and market liquidity risk scheduled to be introduced by bank regulators in most, if not all, of the world’s major economies by 2019. Basel III is designed to strengthen bank capital requirements and introduces new regulatory requirements on bank liquidity and bank leverage. The adoption of these proposed rules could restrict the ability of our large bank and broker-dealer customers to operate proprietary trading businesses and to maintain current market exposures under the present structure of their balance sheets, and will cause these entities to need to raise additional capital in order to stay active in our marketplaces. As a result, their businesses, results of operations, financial condition or prospects could be materially adversely affected, which might cause them to do less business. Such potential impact could materially adversely affect the revenues and profitability of our Financial Services segment.

In the U.K., the FCA has continued to implement far-reaching reform rules initiated by the FSA that are designed to enhance firms’ liquidity risk management practices, based on the lessons learned since the start of the recent credit crisis in 2007, as well as a regulatory model with a clear internal separation of conduct of business and prudential regulation. Implications of these rules include better liquidity and risk management capability (including the use of stress testing and contingency funding plans), less reliance on short-term wholesale funding, and a heightened reliance on higher amounts and quality of liquid asset securities (such as government securities), leading to an increased likelihood of surviving a severe liquidity stress event, the overarching principles being self-sufficiency and adequacy of liquid resources. Currently, we have subsidiaries and branches regulated by the FCA (BGC Brokers L.P., the U.K. branch of Aurel BGC, GFI Securities Ltd. and GFI Brokers Limited).

Further, the authorities of certain EU countries may from time to time institute changes to tax law that, if applicable to us, could have a material adverse effect on our businesses, financial condition, results of operations and prospects. Similarly, the U.S. has proposed a series of changes to U.S. tax law, some of which could apply to us. It is not possible to predict if any of these new provisions will be enacted or, if they are, what form they may take. It is possible that one or more of such provisions could negatively impact our costs and our effective tax rate, which would affect our after-tax earnings. If any of such changes to tax law were implemented and/or deemed to apply to us, they could have a material adverse effect on our businesses, financial condition, results of operations and prospects, including on our ability to attract, compensate and retain executives and brokers.

We believe that uncertainty and potential delays around the final form of such new laws and regulations might take may negatively impact trading volumes in certain markets in which we transact. Increased capital requirements may also diminish transaction velocity. While the broad framework of currently proposed laws and rules and regulations is known, we believe that it remains premature to know conclusively the specific aspects of the U.S. and EU proposals which may directly impact our businesses as some proposals have not yet been finalized and others which have been proposed remain subject to supervisory debate. Additionally, unintended consequences of the laws, rules and regulations may adversely affect us in ways yet to be determined. We are unable to predict how any of these new laws, rules, regulations and proposals will be implemented or in what form, or whether any additional or similar changes to laws, rules or regulations, including the interpretation or implementation thereof, will occur in the future. Any such action could affect us in substantial and unpredictable ways and could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Extensive regulation of our businesses restricts and limits our operations and activities and results in ongoing exposure to potential significant costs and penalties, including fines, sanctions, enhanced oversight, increased financial and capital requirements, and additional restrictions or limitations on our ability to conduct or grow our businesses.

The financial services industry, including our businesses, is subject to extensive regulation, which is very costly. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with us and are not designed to protect the holders of our stock, notes or other securities. These regulations will often serve to restrict or limit our operations and activities, including through capital, customer protection and market conduct requirements.

Our businesses are subject to regulation by governmental and self-regulatory organizations in the jurisdictions in which we operate around the world. Many of these regulators, including U.S. and non-U.S. government agencies and self-regulatory organizations, as well as state securities commissions in the U.S., are empowered to bring enforcement actions and to conduct administrative proceedings and examinations, inspections, and investigations, which may result in costs, penalties, fines, enhanced oversight, increased financial and capital requirements, restrictions or limitations, and censure, suspension, or expulsion. Self-regulatory organizations such as FINRA and the NFA, along with statutory bodies such as the SEC, the CFTC, and the FCA, and other international regulators, require strict compliance with their rules and regulations.

Firms in the financial services industry, including us, have experienced increased scrutiny in recent years, and penalties, fines and other sanctions sought by regulatory authorities, including the SEC, the CFTC, FINRA, the NFA, state securities commissions and state attorneys general in the U.S., and the FCA in the U.K. and other international regulators, have increased accordingly. This trend toward a heightened regulatory and enforcement environment can be expected to continue for the foreseeable future, and this environment may create uncertainty. From time to time, we have been and are subject to periodic examinations, inspections and investigations, including periodic risk assessment and related reviews of our U.K. group. As a result of such reviews, we may be required to include or enhance certain regulatory structures and frameworks in our operating procedures, systems and controls. We are also required to obtain approval from the FCA to acquire control of U.K. regulated firms. Increasingly, the FCA has developed a practice of requiring senior officers of regulated firms to provide individual attestations or undertakings as to the status of the firm's control environment, compliance with specific rules and regulations, or the completion of required tasks. Officers of BGC Brokers L.P. and GFI Brokers Limited have given such attestations or undertakings in the past and may do so again in the future. Similarly, the FCA can seek a voluntary requirement notice, which is a voluntary undertaking on behalf of a firm that is made publicly available on the FCA's website. In 2014, the FCA issued industry-wide interpretive guidance on the management of potential conflicts pursuant to the VREQ process. These activities have resulted, and may in the future result, in significant costs and remediation expenses, and possible disciplinary actions by the SEC, the CFTC, the FCA, self-regulatory organizations and state securities administrators and have impacted, and may impact in the future, our acquisitions of regulated businesses or entry into new business lines.

The brokerage and financial services industries in general face substantial regulatory and litigation risks that may result in damages as well as costs, and we may face damage to our professional reputation and legal liability if our products and services are not regarded as satisfactory or for other reasons, all of which could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Many aspects of our current businesses involve substantial risks of liability. The expansion of our businesses, including into new areas, imposes additional risks of liability.

In the normal course of business, we have been a party to investigations, administrative proceedings, lawsuits, arbitrations and other actions involving primarily claims for damages. Examinations, inspections, regulatory inquiries and subpoenas or other requests for information or testimony may cause us to incur significant expenses, including fees for legal representation and other professional advisors and costs associated with document production and remediation efforts. Such regulatory or other actions may also be directed at certain executives or employees who may be critical to our businesses or to particular brokerage desks. The risks associated with such matters often may be difficult to assess or quantify, and their existence and magnitude often remain unknown for substantial periods of time.

A settlement of, or judgment related to, any such matters could result in civil or criminal liability, penalties, fines, restrictions or limitations on our operations and activities and other sanctions and could otherwise have a material adverse effect on our businesses, results of operations, financial condition and prospects. Any such action could also cause us significant reputational harm, which, in turn, could seriously harm us. In addition, regardless of the outcome of such matters, we may incur significant legal and other costs, including substantial management time, dealing with such matters, even if we are not a party to the litigation or a target of the inquiry.

In our Financial Services segment, we depend to a large extent on our relationships with our customers and our reputation for integrity and high-caliber professional services to attract and retain customers. As a result, if our customers are not satisfied with our products or services, such dissatisfaction may be more damaging to our Financial Services businesses than to other types of businesses. Substantial legal liability or significant regulatory action against us could have a material adverse effect on our businesses, financial condition, results of operations and prospects, or cause significant reputational damage to us, which could seriously harm us.

Competition

Because competition for the services of brokers is intense, it could affect our ability to attract and retain a sufficient number of highly skilled brokers or other professional services personnel, in turn adversely impacting our revenues, resulting in a material adverse effect on our businesses, financial condition, results of operations and prospects.

Our ability to provide high-quality brokerage and other professional services and maintain long-term relationships with our customers depends, in large part, upon our brokers and other professionals. As a result, we must attract and retain highly qualified personnel.

In recent years, we have significantly grown the number of brokers in our businesses through new hires and acquisitions of existing businesses, and we expect to continue to do so in the future. Competition for the services of brokers is intense, especially for brokers with experience in the specialized businesses in which we participate or we may seek to enter. If we are unable to hire or retain highly qualified brokers, including retaining those employed by businesses we acquire in the future, we may not be able to enter new brokerage markets or develop new products or services. If we lose one or more of our brokers in a particular market in which we participate, our revenues may decrease and we may lose market share.

In addition, recruitment and retention of qualified brokers could result in substantial additional costs. We have been and are currently a party to, or otherwise involved in, several lawsuits and arbitrations involving competitor claims in connection with employee hires and/or departures, including the litigations we settled with Tullett in January 2015. We may also pursue our rights through litigation when competitors hire our employees who are under contract with us. We believe such proceedings are common in the financial services industry due to its highly competitive nature. An adverse settlement or judgment related to these or similar types of claims could have a material adverse effect on our businesses, financial condition, results of operations and prospects. Regardless of the outcome of these claims, we generally incur significant costs and substantial management time in dealing with them.

If we fail to attract new personnel, or fail to retain and motivate our current personnel, or if we incur increased costs or restrictions associated with attracting and retaining personnel (such as lawsuits, arbitrations, sign-on or guaranteed bonuses or forgivable loans), our businesses, financial condition, results of operations and prospects could be materially adversely affected.

We face strong competition from brokerages, broker-dealers, financial services firms, and exchanges, many of which have greater market presence, marketing capabilities and financial, technological and personnel resources than we have, which could lead to pricing pressures that could adversely impact our revenues and as a result could materially adversely affect our businesses, financial condition, results of operations or prospects.

The financial services industry is intensely competitive, and is expected to remain so. In our Financial Services segment, we primarily compete with three major, diversified inter-dealer brokers and financial intermediaries. These inter-dealer brokers are ICAP, Tullett and Tradition, all of which are currently publicly traded companies. In November 2015, ICAP and Tullett announced an agreement whereby Tullett will purchase ICAP's global hybrid voice brokering and information business. On January 12, 2016, we completed the merger with GFI by acquiring 100% of GFI's outstanding shares (see Item 1 "Acquisition of GFI Group Inc."). Other inter-dealer broker and financial intermediary competitors include a number of smaller, privately-held firms that tend to specialize in specific products and services or geographic areas.

We also compete with companies that provide alternative products and services, such as contracts traded on futures exchanges, and trading processes, such as the direct dealer-to-dealer market for government securities and stock exchange markets for corporate equities, debt and other securities. We increasingly compete with exchanges for the execution of trades in certain products, mainly in derivatives such as futures, swaps, options and options on futures. Certain exchanges have made and will likely continue to make attempts to move certain OTC-traded products to exchange-based execution. We also compete with consortia, such as those operated by Tradeweb, which are created or funded from time to time by banks, broker-dealers and other companies involved in financial services, such as Thomson Reuters Corporation, to compete in various markets with exchanges and inter-dealer brokers. In addition, financial data and information firms such as Thomson Reuters Corporation and Bloomberg L.P. operate trading platforms for both OTC and listed products, and may attempt to compete with us for trade execution in the future.

Some of our competitors have greater market presence, marketing capabilities and financial, technological and personnel resources than we have and, as a result, our competitors may be able to:

- develop and expand their network infrastructures and product and service offerings more efficiently or more quickly than we can;
- adapt more swiftly to new or emerging technologies and changes in customer requirements;
- identify and consummate acquisitions and other opportunities more effectively than we can;
- hire our brokers and other key employees;
- devote greater resources to the marketing and sale of their products and services;
- more effectively leverage existing relationships with customers and strategic partners or exploit more recognized brand names to market and sell their products and services;
- provide a lower cost structure and lower commissions and fees;

- provide access to trading in products or a range of products that at any particular time we do not offer; and
- develop services that are preferred by our customers.

In addition, new competitors may emerge, and our product and service lines may be threatened by new technologies or market trends that reduce the value of our existing product and service lines. If we are not able to compete successfully in the future, our revenues could be adversely impacted and as a result our businesses, financial condition, results of operations and prospects could be materially adversely affected.

Competition for financial brokerage transactions also has resulted in substantial commission discounting by brokers that compete with us for business. Further discounting could adversely impact our revenues and margins and as a result could materially adversely affect our businesses, financial condition, results of operations and prospects.

Our operations also include the sale of pricing and transactional data and information produced by our brokerage operations to securities information processors and/or vendors. There is a high degree of competition in pricing and transaction reporting products and services, and such businesses may become more competitive in the future. Competitors and customers of our financial brokerage businesses have together and individually offered market data and information products and services in competition with those offered and expected to be offered by us.

International Operations Risks

We are generally subject to various risks inherent in doing business in the international financial markets, in addition to those unique to the regulated brokerage industry, and any failure to identify and manage those risks could materially adversely affect our businesses, financial condition, results of operations and prospects.

We currently provide products and services to customers in many foreign countries, and we may seek to further expand our operations into additional jurisdictions. On a consolidated basis, revenues from foreign countries were $1,088.4 million or 70.5% of total revenues in our Financial Services segment for the year ended December 31, 2015. In many countries, the laws and rules and regulations applicable to the financial services industry are uncertain and evolving, and it may be difficult for us to determine the exact requirements of local regulations in every jurisdiction. Our inability to remain in compliance with local laws and rules and regulations in a particular foreign jurisdiction could have a significant and negative effect not only on our businesses in that market but also on our reputation generally. If we are unable to manage any of these risks effectively, our businesses could be adversely affected.

There are also certain additional political, economic, legal, operational and other risks inherent in doing business in international financial markets, particularly in the regulated brokerage industry. These risks include:

- less developed automation in exchanges, depositories and national clearing systems;
- additional or unexpected changes in regulatory requirements, capital requirements, tariffs and other trade barriers;
- the impact of the laws, rules and regulations of foreign governmental and regulatory authorities of each country in which we conduct business;
- possible nationalization, expropriation and regulatory, political and price controls;
- difficulties in staffing and managing international operations;
- capital controls, exchange controls and other restrictive governmental actions;
- any failure to develop effective compliance and reporting systems, which could result in regulatory penalties in the applicable jurisdiction;
- fluctuations in currency exchange rates;
- reduced protections for intellectual property rights;
- adverse labor and employment laws, including those related to compensation, tax, health insurance and benefits, and social security;
- outbreak of hostilities; and
- potentially adverse tax consequences arising from compliance with foreign laws, rules and regulations to which our international businesses are subject and the repatriation of overseas earnings.

Credit Risk

Credit rating downgrades or defaults by us, Cantor or another large financial institution could adversely affect us or financial markets generally.

The commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships between the institutions. For example, we rely on Cantor as our clearing agent under the Clearing Agreement for certain securities transactions, primarily U.S. government securities, while we self-clear certain other products. A default by one of our customers could lead to liquidity concerns in our business and, to the extent that Cantor or another entity that clears for us has difficulty meeting capital requirements or otherwise meeting its obligations, we may need to provide our own liquidity.

As a result, concerns about, or a default or threatened default by, one institution could lead to significant market-wide liquidity problems, losses or defaults by other institutions. This is sometimes referred to as “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which we interact on a daily basis, and therefore could adversely affect us. Similarly, our vendors, including insurance companies and other providers, are subject to normal business risks as well as risks related to U.S. and international economic and market conditions. Failure of any of these vendor institutions could also materially adversely affect us.

The credit ratings and associated outlooks of firms in our financial services industries, including us, may be critical to their reputation and operational and financial success. A firm’s credit ratings and associated outlooks are influenced by a number of factors, including but not limited to: operating environment, earnings and profitability trends, the prudence of funding and liquidity management practices, balance sheet size/composition and resulting leverage, cash flow coverage of interest, composition and size of the capital base, available liquidity, outstanding borrowing levels, the firm’s competitive position in the industry and its relationship with other firms. A credit rating and/or the associated outlook can be revised upward or downward at any time by a rating agency if such rating agency decides that circumstances of that firm or related firms warrant such a change. Any reduction in credit ratings and/or the associated outlook could adversely affect the availability of debt financing on acceptable terms, as well as the cost and other terms upon which any such financing can be obtained. In addition, credit ratings and associated outlooks may be important to customers or counterparties in certain markets and in certain transactions. Additional collateral may be required in the event of a credit ratings or outlook downgrade.

Our financial services activities are subject to credit and performance risks, which could result in us incurring significant losses that could materially adversely affect our businesses, financial condition, results of operations and prospects.

Our activities are subject to credit and performance risks. For example, our customers may not deliver securities to one of our operating subsidiaries which has sold those securities to another customer. If the securities due to be delivered have increased in value, there is a risk that we may have to expend our own funds in connection with the purchase of other securities to consummate the transaction. While we will take steps to ensure that our customers and counterparties have high credit standings and that financing transactions are adequately collateralized, the large dollar amounts that may be involved in our broker-dealer and financing transactions could subject us to significant losses if, as a result of customer or counterparty failures to meet commitments, we were to incur significant costs in liquidating or covering our positions in the open market.

We have adopted policies and procedures to identify, monitor and manage credit risk, in both agency and principal transactions, through reporting and control procedures and by monitoring credit standards applicable to our customers and counterparties. These policies and procedures, however, may not be fully effective, particularly against fraud, unauthorized trading and similar incidents. Some of these risk management methods depend upon the evaluation of information regarding markets, customers, counterparties or other matters that are publicly available or otherwise accessible by us. That information may not, in all cases, be accurate, complete, up-to-date or properly evaluated. If our policies and procedures are not fully effective or we are not always successful in monitoring or evaluating the risks to which we are, or may be, exposed, our businesses, financial condition, results of operations and prospects could be materially adversely affected. In addition, our insurance policies do not provide coverage for these risks.

Transactions executed on a matched principal basis where the instrument has the same or similar characteristics to the counterparty may expose us to correlation risk. In this case, the counterparty’s inability to meet its obligations will also result in the value of the instrument declining. For example, if we were to enter into a transaction to sell to a customer a bond or structured note where the issuer or credit support provider was such customer’s affiliate, the value of the instrument would decline in value in tandem with the default. This correlation has the effect of magnifying the credit loss.

We are subject to financing risk because, if a transaction does not settle on a timely basis, the resulting unmatched position may need to be financed, either directly by us or through one of the clearing organizations, at our expense. These charges may be recoverable from the failing counterparty, but sometimes they are not. In addition, in instances where the unmatched position or failure to deliver is prolonged or widespread due to rapid or widespread declines in liquidity for an instrument, there may also be regulatory capital charges required to be taken by us, which, depending on their size and duration, could limit our business flexibility or even force the curtailment of those portions of our businesses requiring higher levels of capital. Credit or settlement losses of this nature could materially adversely affect our businesses, financial condition, results of operations and prospects.

Declines in the financial markets have also led to the exposure of several cases of financial fraud. If we were to have trading activity on an agency or principal basis with an entity engaged in defrauding investors or counterparties, we could bear the risk that the counterparty would not have the financial resources to meet their obligations, resulting in a credit loss. Similarly, we may engage in financial transactions with third parties that have been victims of financial fraud and, therefore, may not have the financial resources to meet their obligations to us.

In agency transactions, we charge a commission for connecting buyers and sellers and assisting in the negotiation of the price and other material terms of the transaction. After all material terms of a transaction are agreed upon, we identify the buyer and seller to each other and leave them to settle the trade directly. We are exposed to credit risk for commissions, as we bill customers for our agency brokerage services. Our customers may default on their obligations to us due to disputes, bankruptcy, lack of liquidity, operational failure or other reasons. Any losses arising from such defaults could materially adversely affect our businesses, financial condition, results of operations and prospects.

In certain financial products, we act as a “name passing” broker, where the parties to the trade will settle directly against each other when their names are given up. In these markets, we may from time to time provide quotes. These quotes are intended to provide market values where we believe a customer can execute a transaction in a particular financial product. These quotes reflect our good faith view as to a reasonable bid/offer for that particular product. Prices may be received directly from a customer, or we may provide prices where we are confident the customers will be able to execute a trade, but do not have a customer currently supporting the price. In these cases the price will be based on our professional judgment. We may post or provide bids and offers in an effort (i) to present suitable markets where none would otherwise exist, or (ii) to exhibit spreads that are more reflective of contemporaneous market opinion or activity. In such cases, our efforts are intended to facilitate liquidity for our customers and to draw market participants to participate in a transaction. Although we will exercise strenuous efforts to execute at any given price, we cannot guarantee an execution at a certain price level.

In emerging market countries, we primarily conduct our financial services businesses on an agency and matched principal basis, where the risk of counterparty default, inconvertibility events and sovereign default is greater than in more developed countries.

We enter into transactions in cash and derivative instruments primarily on an agency and matched principal basis with counterparties domiciled in countries in Latin America, Eastern Europe and Asia. Transactions with these counterparties are generally in instruments or contracts of sovereign or corporate issuers located in the same country as the counterparty. This exposes us to a higher degree of sovereign or convertibility risk than in more developed countries.

In addition, these risks may entail correlated risks. A correlated risk arises when the counterparty’s inability to meet its obligations also corresponds to a decline in the value of the instrument traded. In the case of a sovereign convertibility event or outright default, the counterparty to the trade may be unable to pay or transfer payment of an instrument purchased out of the country when the value of the instrument has declined due to the default or convertibility event.

The global financial crisis of recent years has heightened the risk of sovereign or convertibility events in emerging markets similar to the events that occurred in previous financial downturns. Our risk management function monitors the creditworthiness of emerging countries and counterparties on an ongoing basis and, when the risk of inconvertibility or sovereign default is deemed to be too great, correlated transactions or all transactions may be restricted or suspended. However, there can be no assurance that these procedures will be effective in controlling these risks.

Concentration and Market Risk

Our Financial Services segment has its rates business as its largest product category, and we could be significantly affected by any downturn in the rates product market.

We offer our financial services in five broad product categories: rates, credit, foreign exchange, energy and commodities and equity and other asset classes. Our financial services brokerage revenues are strongest in our rates products, which accounted for approximately 32.6% of our total financial services brokerage revenues on a consolidated basis for the year ended December 31, 2015. While we focus on expanding and have successfully diversified our product offerings, we may currently be exposed to any adverse change or condition affecting the rates product market. Accordingly, the concentration of our businesses on rates products subjects our results to a greater market risk than if we had more diversified product offerings.

Due to our current customer concentration, a loss of one or more of our significant customers could materially harm our businesses, financial condition, results of operations and prospects.

For the year ended December 31, 2015, on a consolidated basis, our top ten Financial Services customers collectively, accounted for approximately 16.4% of our total revenues. We have limited long-term contracts with certain of these customers. If we were to lose one or more of these significant customers for any reason, including as a result of further consolidation and concentration in the financial services industry, and not be compensated for such loss by doing additional business with other customers or by adding new customers, our revenues would decline significantly and our businesses, financial condition, results of operations and prospects would materially suffer.

Our financial services revenues and profitability could be reduced or otherwise materially adversely affected by pricing plans relating to commissions and fees on our trading platform.

We negotiate from time to time with certain customers (including many of our largest customers) to enter into customized volume discount pricing plans. While the pricing plans are designed to encourage customers to be more active on our electronic trading platform, they reduce the amount of commissions and fees payable to us by certain of our most active customers for certain products, which could reduce our revenues and constrain our profitability. From time to time, these pricing plans come up for renewal. Failure of a number of our larger customers to enter into renewed agreements, or agreements on terms as favorable as existing agreements, could have a material adverse effect on volumes on our electronic trading platform, the commissions payable to us, our revenues and our profitability.

Reduced spreads in securities pricing, levels of trading activity and trading through market makers and/or specialists could materially adversely affect our businesses, financial condition, results of operations and prospects.

Computer-generated buy/sell programs and other technological advances and regulatory changes in the marketplace may continue to tighten securities spreads. In addition, new and enhanced alternative trading systems, such as electronic communications networks, have emerged as alternatives for individual and institutional investors, as well as broker-dealers. As such systems do not direct trades through market makers, their use could result in reduced revenues for us or for our customers. In addition, reduced trading levels could lead to lower revenues which could materially adversely affect our businesses, financial condition, results of operations and prospects.

We have market risk exposure from unmatched principal transactions entered into by some of our desks, as well as holdings of marketable equity securities, which could result in losses and have a material effect on our businesses, financial condition, results of operations, and prospects for any particular reporting period. In addition, financial fraud or unauthorized trading activity could also materially impact our businesses, financial condition, results of operations or prospects.

On a limited basis, our desks enter into unmatched principal transactions in the ordinary course of business to facilitate transactions, add liquidity, improve customer satisfaction, increase revenue opportunities and attract additional order flow or in certain instances as the result of an error and, in a limited number of instances and subject to risk management limits, for the purpose of proprietary trading. As a result, we have market risk exposure on these unmatched principal transactions.

Market risk refers to the risk that a change in the level of one or more market prices, rates, indices or other factors will result in losses for a specified position. In our Financial Services business, we may allow certain of our desks to enter into unmatched principal transactions in the ordinary course of business and hold long and short inventory positions. These transactions are primarily for the purpose of managing proprietary positions, facilitating clients’ execution needs, adding liquidity to a market or attracting additional order flow **.** As a result, we may have market risk exposure on these transactions. Our exposure varies based on the size of the overall position, the terms and liquidity of the instruments brokered and the amount of time the position is held before we dispose of the position. Although we have limited ability to track our exposure to market risk and unmatched positions on an intra-day basis, we attempt to mitigate market risk on these positions by strict risk limits, extremely limited holding periods and hedging our exposure. These positions are intended to be held short term to facilitate customer transactions. However, due to a number of factors, including the nature of the position and access to the market on which it trades, we may not be able to unwind the position and we may be forced to hold the position for a longer period than anticipated. All positions held longer than intra-day are marked to market.

Certain categories of trades settle for clearing purposes with CF&Co, one of our affiliates. CF&Co is a member of FINRA and the FICC. We, CF&Co and other affiliates participate in off-the-run U.S. Treasuries as well as other markets by posting quotations for our respective accounts and by acting as principal. Such activity is intended, among other things, to assist us, CF&Co and our affiliates in managing proprietary positions (including, but not limited to, those established as a result of combination trades and errors), facilitating transactions, framing markets, adding liquidity, increasing commissions and attracting order flow.

From a risk management perspective, we monitor risk on an end-of-day basis, and desk managers generally monitor such exposure on a continuous basis. Any unmatched positions are intended to be disposed of in the short term. However, due to a number of factors, including the nature of the position and access to the markets on which we trade, we may not be able to match the position or effectively hedge its exposure and often may be forced to hold a position overnight that has not been hedged. To the extent these unmatched positions are not disposed of intra-day, we mark these positions to market. Adverse movements in the securities underlying these positions or a downturn or disruption in the markets for these positions could result in a loss.

In the event of any unauthorized trading activity or financial fraud that is not detected by management, it is possible that these unmatched positions could be outstanding for a long period. At the time of any sales and settlements of these positions, the price we ultimately realize will depend on the demand and liquidity in the market at that time and may be materially lower than their current fair values. In addition, our estimates or determinations of the values of our various positions, assets or businesses are subject to the accuracy of our assumptions and the valuation models or multiples used. Any principal losses and gains resulting from these positions could on occasion have disproportionate effects, negative or positive, on our businesses, financial condition, results of operations and prospects for any particular reporting period.

In addition, in recent years we have had considerable holdings of marketable securities received by us as consideration for the sale of certain businesses. These holdings include the shares of common stock of NASDAQ, Inc. that we received in exchange for a portion of our electronic benchmark Treasury platform, and the shares of common stock of ICE that we received in exchange for Trayport. We may seek to manage the market risk exposure inherent in such holdings by minimizing the effect of price changes on a portion of such holdings through the use of derivative contracts. There can, however, be no assurance that our hedging activities will be adequate to protect us against price risks associated with these holdings, or that the costs of such hedging activities will not be significant. Further, any such hedging activities and other risk management techniques may not be fully effective in mitigating our risk exposure in all market environments or against all types of risk, including unpredicted price movements, counterparty defaults or other risks that are unidentified or unanticipated. Any such events could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

We have equity investments or profit sharing interests in entities whose primary business is proprietary trading. These investments could expose us to losses that could adversely affect our net income and the value of our assets.

We have equity investments or profit sharing interests in entities whose primary business is proprietary trading. The accounting treatment applied for these investments varies depending on a number of factors, including, but not limited to, our percentage ownership or profit share and whether we have any influence or control over the relevant entity. Under certain accounting standards, any losses experienced by these entities on their investment activities could adversely impact our net income and the value of our assets. In addition, if these entities were to fail and cease operations, we could lose the entire value of our investment and the stream of any shared profits from trading.

We may not be able to realize the full value of the NASDAQ Transaction or other stock transactions, which could have a material adverse effect on our businesses, financial condition, results of operations and prospects and cause the price of our Class A common stock to decline.

On June 28, 2013, we sold our on-the-run, electronic benchmark U.S. Treasury platform to NASDAQ. The total consideration consisted of $750 million in cash, plus an earn-out of up to 14,883,705 shares of NASDAQ common stock to be paid ratably over 15 years, provided that NASDAQ, as a whole, produces at least $25 million in gross revenues each year. Of the 14,883,705 shares, as of February 20, 2016, 2,976,741 shares have been received and 11,906,964 shares remain to be received. This earn-out presents market risk as the value of consideration related to the NASDAQ shares is subject to fluctuations based on the NASDAQ common stock share price. Therefore, if NASDAQ were to experience financial difficulties or a significant downturn, we may be unable to realize the full value of the NASDAQ Transaction, which could have a material adverse effect on our businesses, financial condition, results of operations, and prospects, and could cause the price of our Class A common stock to decline.

On December 11, 2015, we sold our Trayport business for 2,527,658 shares of ICE common stock (the “ICE Shares”). All of such ICE shares were received at closing and have been registered for resale on our behalf. As of February 20, 2016, over 80% of such shares have been sold.

In addition, there is no assurance that we will be successful in employing any consideration that we have and will receive, including the earn-out from the NASDAQ Transaction or the proceeds from the sale of NASDAQ and ICE shares, in such a way as to provide a net benefit to us compared to the revenues, profit margins, and cash flows represented by the assets that we sold in the NASDAQ and Trayport transactions. While we intend to use that consideration in ways that will be beneficial to us and our businesses, including in continuing to seek to grow the portion of the electronic platform that we retained and to make acquisitions, there can be no assurance that we will be successful in doing so, or that our failure to do so will not have a material adverse effect on our businesses, financial condition, results of operations and prospects.

We may also face credit, market and other risks in connection with the temporary or longer-term investment of our available cash, including that received from the NASDAQ Transaction or from our sale of NASDAQ and ICE shares, pending our use of the proceeds in our businesses or to make acquisitions, such as the risk of defaults or impairments of our investments.

As a result of our acquisition of GFI, we became subject to various operational, financial, control and compliance risks of GFI and any expected revenue opportunities, cost savings, and other benefits and synergies expected to occur as a result of the acquisition may not occur in the currently contemplated timeframe, or at all.

As a result of our acquisition of GFI, we became exposed to various operational, financial, control and compliance risks of GFI that are not publicly disclosed. As a result, we are exposed to unknown risks and liabilities in connection with GFI and its acquisition. In addition, future earnings of our combined businesses could be materially adversely affected by a variety of factors, including, but not limited to, the impact of competition from other marketplace participants; economic conditions, including changes in trading volumes, inflation rates, interest rates, tax rates, or the availability of capital; our ability to comply with all covenants in our credit facilities; and the risks and uncertainties with respect to our businesses as described in our reports and documents filed with the SEC. Further, the anticipated revenue opportunities, cost savings, and other benefits and synergies from the acquisition of GFI may not be fully realized, if at all, or may take longer to realize than currently contemplated. Any such factors or others could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Other General Financial Services Segment Risks

Our Financial Services operations are global and exchange rate fluctuations and international market events could materially adversely impact our financial results.

Because our Financial Services operations are global, we are exposed to risks associated with changes in foreign exchange rates. Changes in foreign currency rates create volatility in the U.S. dollar equivalent of revenues and expenses, in particular with regard to British Pounds and Euros. In addition, changes in the remeasurement of our foreign currency denominated net assets are recorded as part of our results of operations and fluctuate with changes in foreign currency rates. We monitor our net exposure in foreign currencies and markets on a daily basis and hedge our exposure as deemed appropriate with highly rated major financial institutions. However, potential movements in the U.S. dollar against other currencies in which we earn revenues could materially adversely affect our financial results.

Furthermore, our revenues derived from non-U.S. operations are subject to risk of loss from social or political instability, changes in government policies or policies of central banks, downgrades in the credit ratings of sovereign countries, expropriation, nationalization, confiscation of assets and unfavorable legislative and political developments in such non-U.S. jurisdictions. Revenues from the trading of non-U.S. securities may be subject to negative fluctuations as a result of the above factors. The impact of these fluctuations on our results could be magnified because generally non-U.S. trading markets, particularly in emerging market countries, are smaller, less liquid and more volatile than U.S. trading markets.

Employee misconduct, fraud, miscommunication or error could harm us by impairing our ability to attract and retain customers and subjecting us to significant financial losses, legal liability, regulatory sanctions and penalties and reputational harm; moreover, misconduct is difficult to detect and deter, and error is difficult to prevent.

Employee misconduct, fraud or error could subject us to financial losses, legal liability, and regulatory sanctions and penalties and could seriously harm our reputation and negatively affect us. Misconduct or fraud by employees could include engaging in improper or unauthorized transactions or activities, failing to properly supervise other employees or improperly using confidential information.

Employee errors and miscommunication, including mistakes in executing, recording or processing transactions for customers, could cause us to enter into transactions that customers may disavow and refuse to settle, which could expose us to the risk of material losses even if the errors and miscommunication are detected and the transactions are unwound or reversed. If our customers are not able to settle their transactions on a timely basis, the time in which employee errors and miscommunication are detected may be increased and our risk of material loss could be increased. The risk of employee error and miscommunication may be greater for products or services that are new or have non-standardized terms.

It is not always possible to deter and detect employee misconduct or fraud or prevent errors and miscommunications. While we have various supervisory systems and compliance processes and procedures in place, and seek to mitigate applicable risks, the precautions we take to deter and detect and prevent this activity may not be effective in all cases.

Although portions of our compensation structure are variable, significant parts of our cost structure are fixed, and if our revenues decline and we are unable to reduce our costs in the amount that our revenues decline, our profitability could be materially adversely affected.

Although portions of our compensation structure are variable, significant parts of our cost structure are fixed. We base our overall cost structure on historical and expected levels of demand for our products and services. If demand for these products and services and our resulting revenues decline, we may not be able to adjust our cost structure on a timely basis. If we are unable to reduce our costs in the amount that our revenues decline, our profitability could be materially adversely affected.

RISKS RELATED TO OUR REAL ESTATE SERVICES BUSINESS

General and Real Estate Services Market Conditions

Negative general economic conditions and commercial real estate market conditions can have a material adverse effect on our NGKF commercial real estate services businesses, financial condition, results of operations and prospects.

Commercial real estate markets are cyclical. They relate to the condition of the economy or, at least, to the perceptions of investors and users as to the relevant economic outlook. For example, companies may be hesitant to expand space or enter into long-term commitments if they are concerned about the general economic environment. Companies that are under financial pressure for any reason, or are attempting to more aggressively manage their expenses, may reduce the size of their workforces, reduce spending on capital expenditures, including with respect to their office space, permit more of their staff to work from home offices and/or seek corresponding reductions in office space and related management or other services.

Negative general economic conditions and declines in the demand for commercial real estate brokerage and related management services in several markets or in significant markets could also have a material adverse effect on our commercial real estate services businesses, financial condition, results of operations and prospects as a result of the following factors:

- A general decline in acquisition, disposition or leasing activity can lead to a reduction in the commissions and fees we receive for arranging such transactions, as well as in commissions and fees we earn for arranging the financing for acquirers.
- A general decline in the value and performance of commercial real estate and in rental rates can lead to a reduction in management and leasing commissions and fees. Additionally, such declines can lead to a reduction in commissions and fees that are based on the value of, or revenue produced by, the properties with respect to which we provide services. This may include commissions and fees for appraisal and valuation, sales and leasing, and property and facilities management. A significant decline in real estate values in a given market has also generally tended to result in increased litigation and claims regarding advisory work done prior to the decline.
- Cyclicality in the commercial real estate markets may lead to volatility in our earnings and significant volatility for our commercial real estate business, which can be highly sensitive to market perception of the economy generally and our industry specifically. Real estate markets are also thought to “lag” the broader economy. This means that, even when underlying economic fundamentals improve in a given market, it may take additional time for these improvements to translate into strength in the real estate markets.
- Periods of economic weakness or recession, significantly rising interest rates, fiscal uncertainty, declining employment levels, declining demand for commercial real estate, falling real estate values, disruption to the global capital or credit markets, or the public perception that any of these events may occur, may negatively affect the performance of some or all of our NGKF business lines.

Regulatory/Legal

We may have liabilities in connection with our commercial real estate businesses, including appraisal and valuation, sales and leasing and property and facilities management activities.

As a licensed real estate broker and provider of commercial real estate services, we and our licensed sales professionals and independent contractors that work for us are subject to statutory due diligence, disclosure and standard-of-care obligations. Failure to fulfill these obligations could subject us or our sales professionals or independent contractors to litigation from parties who purchased, sold or leased properties that we brokered or managed. We could become subject to claims by participants in real estate sales and leasing transactions, as well as building owners and companies for whom we provide management services, claiming that we did not fulfill our statutory obligations. We could also become subject to claims made by clients for whom we provided appraisal and valuation services and/or third parties who perceive themselves as having been negatively affected by our appraisals and/or valuations. We also could be subject to audits and/or fines from various local real estate authorities if they determine that we are violating licensing laws by failing to follow certain laws, rules and regulations.

In addition, in our property and facilities management businesses we hire and supervise third-party contractors to provide services for our managed properties. While our role is limited to that of a supervisor, we may be subject to claims for defects, negligent performance of work or other similar actions or omissions by third parties we do not control. Moreover, our clients may seek to hold us accountable for the actions of contractors because of our role as property or facilities manager or project manager, even if we have technically disclaimed liability as a contractual matter, in which case we may be pressured to participate in a financial settlement for purposes of preserving the client relationship. Adverse outcomes of property and facilities management disputes or litigation could have a material adverse effect on our commercial real estate services business, financial condition, results of operations and prospects, particularly to the extent we may be liable on our contracts, or if our liabilities exceed the amounts of the insurance coverage procured and maintained by us.

Because we employ large numbers of building staff in facilities that we manage, we face risk in potential claims relating to employment injuries, termination and other employment matters.

As part of our properties and facilities management businesses, we may enter into agreements with clients where we manage the costs for a project. In these situations, we are responsible for managing the various other contractors required for a project, including general contractors, in order to ensure that the cost of a project does not exceed the contract price and that the project is completed on time. In the event that one of the other contractors on the project does not or cannot perform as a result of bankruptcy or for some other reason, we may be responsible for any cost overruns as well as the consequences for late delivery.

Some of these litigation risks may be mitigated by any commercial insurance we maintain in amounts we believe are appropriate. However, in the event of a substantial loss or certain types of claims, our insurance coverage and/or self-insurance reserve levels might not be sufficient to pay the full damages. Additionally, in the event of grossly negligent or intentionally wrongful conduct, insurance policies that we may have may not cover us at all. Further, the value of otherwise valid claims we hold under insurance policies could become uncollectible in the event of the covering insurance company's insolvency, although we seek to limit this risk by placing our commercial insurance only with highly rated companies. In addition, in the event of grossly negligent or intentionally wrongful conduct, we may not be covered by insurance. Any of these events could materially negatively impact our businesses, financial condition, results of operations and prospects.

If we fail to comply with laws, rules and regulations applicable to commercial real estate brokerage, valuation and appraisal and mortgage transactions and other real estate business lines, then we may incur significant financial penalties.

Due to the broad geographic scope of our operations and the commercial real estate services we perform, we are subject to numerous international, federal, state and local laws, rules and regulations specific to our services. For example, the brokerage of real estate sales and leasing transactions and other related activities require us to maintain brokerage licenses in each state in which we conduct activities for which a real estate license is required. If we fail to maintain our licenses or conduct brokerage activities without a license or violate any of the laws, rules and regulations applicable to our licenses, then we may be subject to audits, required to pay fines (including treble damages in certain states) or be prevented from collecting commissions owed, be compelled to return commissions received or have our licenses suspended or revoked.

In addition, because the size and scope of commercial real estate transactions have increased significantly during the past several years, both the difficulty of ensuring compliance with the numerous state licensing and regulatory regimes and the possible loss resulting from non-compliance have increased. Furthermore, the laws, rules and regulations applicable to our business lines also may change in ways that increase the costs of compliance. The failure to comply with both foreign and domestic laws, rules and regulations could result in significant financial penalties which could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Environmental regulations may adversely impact our commercial real estate businesses and/or cause us to incur costs for cleanup of hazardous substances or wastes or other environmental liabilities.

Federal, state and local laws and regulations impose various environmental zoning restrictions, use controls, and disclosure obligations which impact the management, development, use and/or sale of real estate. Such laws and regulations tend to discourage sales and leasing activities, as well as mortgage lending availability, with respect to some properties. A decrease or delay in such transactions may materially adversely affect our businesses, financial condition, results of operations and prospects. In addition, a failure by us to disclose environmental concerns in connection with a real estate transaction may subject us to liability to a buyer/seller or lessee/lessor of property.

In addition, in our role as property or facilities manager, we could incur liability under environmental laws for the investigation or remediation of hazardous or toxic substances or wastes at properties we currently or formerly managed, or at off-site locations where wastes from such properties were disposed. Such liability can be imposed without regard for the lawfulness of the original disposal activity, or our knowledge of, or fault for, the release or contamination. Further, liability under some of these laws may be joint and several, meaning that one liable party could be held responsible for all costs related to a contaminated site. We could also be subject to property damage or personal injury claims alleged to result from environmental contamination, or from asbestos-containing materials or lead-based paint present at the properties or facilities we manage. Insurance for such matters may not be available or sufficient.

Certain requirements governing the removal or encapsulation of asbestos-containing materials, as well as recently enacted local ordinances obligating property or facilities managers to inspect for and remove lead-based paint in certain buildings, could increase our costs of legal compliance and potentially subject us to violations or claims. More stringent enforcement of existing regulations could cause us to incur significant costs in the future, and/or materially adversely impact our commercial real estate brokerage and management services businesses.

We are subject to substantial litigation risks and may face significant liabilities and damage to our professional reputation as a result of litigation, allegations and negative publicity.

We and our licensed sales professionals are subject to regulatory due diligence, disclosure and standard-of-care obligations. Failure to fulfill these obligations could subject us or our sales professionals to litigation.

We depend on our business relationships and our reputation for integrity and high-caliber professional services to attract and retain clients across our overall commercial real estate services businesses. As a result, allegations by private litigants or regulators of conflicts of interest or improper conduct by us, whether the ultimate outcome is favorable or unfavorable to us, as well as negative publicity and press speculation about us or our activities, whether or not valid, may harm our reputation and damage our business prospects. In addition, if any lawsuits were brought against us and resulted in a finding of substantial legal liability, it could materially adversely affect our businesses, financial condition, results and operations or prospects, and cause significant reputational harm to us.

Competition

We operate in a highly competitive commercial real estate services industry with numerous competitors, some of which may have greater financial and operational resources than we do.

We compete in a variety of service disciplines within the commercial real estate industry. Each of these business areas is highly competitive on an international and national as well as on a regional and local level. We face competition not only from other national real estate service companies, but also from global real estate services companies, boutique real estate advisory firms, and consulting and appraisal firms. Depending on the product or service, we also face competition from other real estate service providers, institutional lenders, insurance companies, investment banking firms, investment managers and accounting firms, some of which may have greater financial resources than we do. Although many of our competitors are local or regional firms that are substantially smaller than we are, some of our competitors are substantially larger than us on a local, regional, national or international basis and have similar service competencies to ours, including CBRE Group, Inc., Jones Lang LaSalle Incorporated, Cushman & Wakefield and Colliers International. In addition, specialized firms like HFF, Inc. and Eastdil Secured, LLC compete with us in certain areas.

In general, there can be no assurance that we will be able to continue to compete effectively with respect to any of our commercial real estate business lines or on an overall basis, to maintain current commission and fee levels or margins, or to maintain or increase our market share.

International Market Risk

We are expanding our commercial real estate businesses to include international operations so that we may be more competitive, but in doing so we may be subject to certain short-term contractual restrictions and we could subject ourselves to social, political and economic risks of doing business in foreign countries.

Although we do not currently conduct significant commercial real estate services businesses outside the U.S., we are expanding our international operations so that we may be more competitive. There can be no assurances that we will be able to successfully expand our businesses in international markets. Current global economic conditions may limit or delay such expansion or make it less economically feasible. As we expand into international markets, circumstances and developments related to international operations that could negatively affect our businesses, financial condition, results of operations or prospects include, but are not limited to, the following factors:

- Lack of substantial experience operating in international markets;
- Lack of recognition of the NGKF brand name in some international markets;
- Difficulties and costs of staffing and managing international operations;
- Currency and tax restrictions, which may prevent the transfer of capital and profits to the U.S.;
- Foreign currency fluctuations;
- Changes in regulatory requirements;
- Adverse tax consequences;
- The responsibility of complying with multiple and potentially conflicting laws;
- The impact of regional or country-specific business cycles and economic instability;
- The geographic, time zone, language and cultural differences among personnel in different areas of the world;
- Political instability; and
- Foreign ownership restrictions with respect to operations in certain countries.

If we choose to grow our real estate services businesses in Asia Pacific, South America, Europe, the Middle East or Africa, then such a decision could both affect and be affected by our current alliance agreement with Knight Frank.

These or other factors may negatively impact the expansion of our commercial real estate businesses to include international operations, which could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

Other General Real Estate Services Risks

If we experience difficulties in collecting accounts receivable or experience defaults by multiple clients or counterparties, it could materially adversely affect our businesses, financial condition, results of operations and prospects.

We face challenges in our ability to efficiently and/or effectively collect accounts receivable in certain geographic areas.

Any of our clients or other parties obligated to make payments to us may experience a downturn in their businesses that may weaken their results of operations and financial condition. As a result, a client or other party obligated to make payments to us may fail to make payments when due, become insolvent or declare bankruptcy. Any such failure to make payments when due or the bankruptcy or insolvency of any such party could result in material losses to us. A bankruptcy of a client or other party obligated to make payments to us would delay or preclude full collection of amounts owed to us. In addition, certain corporate services and property and facilities management agreements require that we advance payroll and other vendor costs on behalf of clients. If such a client or other party obligated to make payments to us were to file for bankruptcy, we may not be able to obtain reimbursement for those costs or for the severance obligations we would incur. The bankruptcy or insolvency of a significant counterparty (which may include co-brokers, owners, landlords, lenders, insurance companies, hedging counterparties, service providers or other organizations with which we do business), or the failure of any significant counterparty to perform its contractual commitments, may result in disruption to our businesses and material losses to us.

Additionally, any weakness in the global economy puts additional financial stress on clients and landlords, which sometimes are the parties that pay our commissions and fees where we have placed a tenant client into their buildings. This in turn has negatively impacted our ability to collect our receivables fully or in a timely manner. We cannot be sure that the procedures we use to identify and rectify slowly paid receivables, and to protect ourselves against the insolvencies or bankruptcies of clients, landlords and other third parties with which we do business, which procedures may involve placing liens on properties or litigating, will be effective in all cases.

We may not be able to replace independently-owned partner offices when affiliation agreements are terminated, which may decrease our scope of services and geographic reach.

As of January 31, 2016, we had agreements in place to operate on a collaborative and cross-referral basis with certain independently-owned offices in the U.S. and elsewhere in the Americas in return for contractual and referral fees paid to us and/or certain mutually beneficial co-branding and other business arrangements. These independently owned offices generally use some variation of Newmark in their names and marketing materials. These agreements are normally multi-year contracts, and generally provide for mutual referrals in their respective markets, generating additional contract and brokerage fees. Through these independently owned offices, our clients have access to additional brokers with local market research capabilities as well as other commercial real estate services in locations where we do not have a physical presence. From time to time our arrangement with these independent firms may be terminated pursuant to the terms of the individual affiliation agreements. The opening of an owned office to replace an independently-owned office requires us to invest capital, which in some cases could be material. In the event our affiliation arrangements are terminated, we may lose our market coverage in such market if we do not enter into a replacement affiliation arrangement or open or acquire an owned office. There can be no assurance that, if we lose additional independently owned offices, we will be able to identify suitable replacement affiliates or fund the establishment or acquisition of an owned office. In addition, although we do not control the activities of these independently owned offices, we may face reputational risk if any of these independently owned offices are involved in or accused of illegal, unethical or similar behavior. Failure to maintain coverage in important geographic markets may negatively impact our operations, reputation, and ability to attract and retain key employees and could have a material adverse effect on our businesses, financial condition, results of operations and prospects.

RISKS RELATED TO OUR CORPORATE AND PARTNERSHIP STRUCTURE

Corporate Structure

Because our voting control is concentrated among the holders of our Class B common stock, the market price of our Class A common stock may be materially adversely affected by its disparate voting rights.

As of February 25, 2016, Cantor (including CFGM) beneficially owned all of the outstanding shares of our Class B common stock, representing approximately 59.6% of our total voting power. In addition, Cantor has the right to exchange exchangeable partnership interests in BGC Holdings into additional shares of Class B common stock, and pursuant to an exchange agreement with us, Cantor has the right to exchange shares of our Class A common stock for additional shares of Class B common stock, in the aggregate up to the then-remaining number of our authorized but unissued Class B shares.

As long as Cantor beneficially owns a majority of our total voting power, it will have the ability, without the consent of the public holders of our Class A common stock, to elect all of the members of our board of directors and to control our management and affairs. In addition, it will be able to determine the outcome of matters submitted to a vote of our stockholders for approval and will be able to cause or prevent a change of control of us. In certain circumstances, such as when transferred to an entity controlled by Cantor or Mr. Lutnick, the shares of Class B common stock issued to Cantor may be transferred without conversion to Class A common stock.

The holders of our Class A common stock and Class B common stock have substantially identical rights, except that holders of Class A common stock are entitled to one vote per share, while holders of Class B common stock are entitled to 10 votes per share on all matters to be voted on by stockholders in general. The Class B common stock is controlled by Cantor and is not subject to conversion or termination by our board of directors or any committee thereof, or any other stockholder or third party. This differential in the voting rights of Class B common stock could adversely affect the market price of our Class A common stock.

Delaware law may protect decisions of our board of directors that have a different effect on holders of our Class A common stock and Class B common stock.

Stockholders may not be able to challenge decisions that have an adverse effect upon holders of our Class A common stock compared to holders of our Class B common stock if our board of directors acts in a disinterested, informed manner with respect to these decisions, in good faith and in the belief that it is acting in the best interests of our stockholders. Delaware law generally provides that a board of directors owes an equal duty to all stockholders, regardless of class or series, and does not have separate or additional duties to different groups of stockholders, subject to applicable provisions set forth in a corporation's certificate of incorporation and general principles of corporate law and fiduciary duties.

Delaware law, our corporate organizational documents and other requirements may impede or discourage a takeover, which could deprive our investors of the opportunity to receive a premium for their shares.

We are a Delaware corporation, and the anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our Class A stockholders. Some provisions of the Delaware General Corporation Law (the "DGCL"), our amended and restated certificate of incorporation, and our amended and restated bylaws could make the following more difficult:

- acquisition of us by means of a tender offer;
- acquisition of us by means of a proxy contest or otherwise; or
- removal of our incumbent officers and directors.

These provisions, summarized below, may discourage coercive takeover practices and inadequate takeover bids. These provisions may also encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection give us the potential ability to negotiate with the initiator of an unfriendly or unsolicited proposal to acquire or restructure us and outweigh the disadvantages of discouraging those proposals because negotiation of them could result in an improvement of their terms.

Our amended and restated bylaws provide that special meetings of stockholders may be called only by the Chairman of our board of directors, or in the event the Chairman of our board of directors is unavailable, by the Chief Executive Officer or by the holders of a majority of the voting power of our Class B common stock, which is held by Cantor and CFGM. In addition, our certificate of incorporation permits us to issue "blank check" preferred stock.

Our amended and restated bylaws require advance written notice prior to a meeting of our stockholders of a proposal or director nomination which a stockholder desires to present at such a meeting, which generally must be received by our Secretary not later than 120 days prior to the first anniversary of the date of our proxy statement for the preceding year's annual meeting. In the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of the 120th day prior to the date of such proxy statement or the tenth day following the day on which public announcement of the date of such meeting is first made by us. Our bylaws provide that all amendments to our bylaws must be approved by either the holders of a majority of the voting power of all of our outstanding capital stock entitled to vote or by a majority of our board of directors.

We are subject to Section 203 of the DGCL. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the date the person became an interested stockholder, unless the "business combination" or the transaction in which the person became an "interested stockholder" is approved in a prescribed manner. Generally, a "business combination" includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the "interested stockholder." An "interested stockholder" is a person who, together with affiliates and associates, owns 15% or more of a corporation's outstanding voting stock, or was the owner of 15% or more of a corporation's outstanding voting stock at any time within the prior three years, other than "interested stockholders" prior to the time our Class A common stock was traded on NASDAQ. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by our board of directors, including discouraging takeover attempts that might result in a premium over the market price for shares of Class A common stock.

In addition, our brokerage businesses are heavily regulated and some of our regulators require that they approve transactions which could result in a change of control, as defined by the then-applicable rules of our regulators. The requirement that this approval be obtained may prevent or delay transactions that would result in a change of control.

Further, our Amended and Restated Long Term Incentive Plan contains provisions pursuant to which grants that are unexercisable or unvested may automatically become exercisable or vested as of the date immediately prior to certain change of control events. Additionally, change in control and employment agreements between us and our named executive officers also provide for certain grants, payments, and grants of exchangeability in the event of certain change of control events.

The foregoing factors, as well as the significant common stock ownership by Cantor, including shares of our Class B common stock, and rights to acquire additional such shares, and the provisions of the indentures for our outstanding notes discussed above, could impede a merger, takeover or other business combination or discourage a potential investor from making a tender offer for our Class A common stock, which, under certain circumstances, could reduce the market value of the Class A common stock.

We are a parent holding company, and accordingly we are dependent upon distributions from BGC U.S. and BGC Global to pay dividends, taxes and indebtedness and other expenses and to make repurchases.

We are a parent holding company with no direct operations and will be able to pay dividends, taxes and other expenses, and to make repurchases of shares our Class A common stock and purchases of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, only from our available cash on hand and funds received from distributions or loans from BGC U.S. and BGC Global. As discussed above, regulatory, tax restrictions or elections, and other legal or contractual restrictions may limit our ability to transfer funds freely from our subsidiaries. In addition, any unanticipated accounting, tax or other charges against net income could adversely affect our ability to pay dividends and to make repurchases.

BGC U.S. and BGC Global intend to distribute to their limited partners, including us, on a pro rata and quarterly basis, cash that is not required to meet BGC U.S.'s and BGC Global's anticipated business and regulatory needs. As a result, BGC U.S.'s and BGC Global's ability, and in turn our ability, to make such distributions will depend upon the continuing profitability and strategic and operating needs of our businesses, including various capital adequacy and clearing capital requirements promulgated by federal, self-regulatory, and other authorities to which our subsidiaries are subject. We expect to pay not less than 75% of our post-tax distributable earnings per fully diluted share as cash dividends to our common stockholders, with the balance of such distributable earnings to be available to repurchase shares of our Class A common stock or purchase BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners and others.

Our board of directors and our Audit Committee have authorized repurchases of shares of our Class A common stock and purchases of BGC Holdings limited partnership interests or other equity interests in our subsidiaries as part of this policy, including those held by Cantor and/or its partners, our executive officers, other employees and partners. In October 2015, this authorization was increased to $300 million. As of January 31, 2016, we had approximately $291.6 million remaining under this authorization and may continue to actively make such repurchases or purchases, or cease to make such repurchases or purchases, from time to time. In addition, from time to time, we may reinvest all or a portion of the distributions we receive in BGC U.S.'s and BGC Global's respective businesses, although we neither have current plans to do so nor do we expect to do so as long as we maintain our current dividend policy. Accordingly, there can be no assurance that future dividends will be paid or that dividend amounts will be maintained at current or future levels.

If our dividend policy is materially different than the distribution policy of BGC Holdings, upon the exchange of any BGC Holdings limited partnership interests such BGC Holdings limited partners could receive a disproportionate interest in the aggregate distributions by BGC U.S. and BGC Global that have not been distributed by us.

To the extent BGC Holdings distributes to its limited partners a greater share of income received from BGC U.S. and BGC Global than we distribute to our stockholders, then as founding/working partners, limited partnership unit holders and/or Cantor exercise any exchange right to acquire our Class A common stock or Class B common stock, as applicable, exchanging partners may receive a disproportionate interest in the aggregate distributions by BGC U.S. and BGC Global that have not been distributed by us. The reason is that the exchanging partner could receive both (1) the benefit of the distribution that has not been distributed by us from BGC U.S. and BGC Global to BGC Holdings (in the form of a distribution by BGC Holdings to its limited partners) and (2) the benefit of the distribution from BGC U.S. and BGC Global to us (in the form of a subsequent cash dividend paid by us, a greater percentage indirect interest in BGC U.S. and BGC Global following a repurchase of Class A common stock by us or a greater value of assets following a purchase of assets by us with the cash that otherwise would be distributed to our stockholders). Consequently, if our dividend policy does not match the distribution policy of BGC Holdings, other holders of Class A common stock and Class B common stock as of the date of an exchange could experience a reduction in their interest in the profits previously distributed by BGC U.S. and BGC Global that have not been distributed by us. Our current dividend policy could result in distributions to our common stockholders that are different from the distributions made by BGC Holdings to its unit holders.

If Cantor, we or any of our subsidiaries were deemed an "investment company" under the Investment Company Act, applicable restrictions could make it impractical for us to continue our businesses as contemplated and could materially adversely affect our businesses, financial condition, results of operations and prospects.

If Cantor ceases to hold a majority of our voting power, Cantor's interest in us could be deemed an investment security under the Investment Company Act. If we were to cease participation in the management of BGC Holdings (or if BGC Holdings, in turn, were to cease participation in the management of BGC U.S. and BGC Global) or be deemed not to have a majority of the voting power of BGC Holdings (or if BGC Holdings, in turn, were deemed not to have a majority of the voting power of BGC U.S. and BGC Global), our interests in BGC Holdings or BGC U.S. and BGC Global could be deemed an "investment security" for purposes of the Investment Company Act. If BGC Holdings ceased to participate in the management of BGC U.S. and BGC Global or were deemed not to have a majority of the voting power of BGC U.S. or BGC Global, its interest in BGC U.S. or BGC Global could be deemed an "investment security" for purposes of the Investment Company Act.

Generally, an entity is an "investment company" if it owns investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items), absent an applicable exemption. A determination that we hold more than 40% of our assets in investment securities could result in us being an investment company under the Investment Company Act and becoming subject to registration and other requirements of the Investment Company Act.

The Investment Company Act and the rules thereunder contain detailed prescriptions for the organization and operations of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, limit the issuance of debt and equity securities, prohibit the issuance of stock options and impose certain governance requirements. If anything were to happen that would cause Cantor, us, or BGC Holdings to be deemed to be an investment company under the Investment Company Act, the Investment Company Act would limit our or its capital structure, ability to transact business with affiliates (including Cantor, BGC Holdings, or BGC U.S. and BGC Global, as the case may be) and ability to compensate key employees. Therefore, if Cantor, we, or BGC Holdings became subject to the Investment Company Act, it could make it impractical to continue our businesses, impair agreements and arrangements, and impair the transactions contemplated by those agreements and arrangements, between and among Cantor, us, BGC Holdings, and BGC U.S., and BGC Global, or any combination thereof, and materially adversely affect our businesses, financial condition, results of operations and prospects.

Partnership Structure

Our BGC Holdings partnership structure may adversely affect our ability to recruit, retain, compensate and motivate some employee partners.

While we believe that our BGC Holdings partnership structure promotes recruitment and retention and motivation of our employee partners, some employee partners may be more attracted to the benefits of working at a privately controlled partnership, or at a public company with a different compensation structure than our own, which may adversely affect our ability to recruit, retain, compensate and motivate these persons. While BGC Holdings limited partnership interests entitle founding/working and other limited partners to participate in distributions of income from the operations of our businesses, upon leaving BGC Holdings (or upon any other redemption or purchase of such limited partnership interests, as described below), any such founding/working or other limited partners are, unless Cantor, in the case of the founding partners, and us, as the general partner of BGC Holdings, otherwise determine, only entitled to receive over time, and provided he or she does not violate certain partner obligations, an amount for his or her BGC Holdings limited partnership interests that reflects such partner's capital account or post-termination amount, if any, and not any goodwill or going concern value of our businesses. Further, certain partner units have no right to a post-termination payment, receive a preferred but fixed distribution amount, and/or cannot be made exchangeable into shares of our Class A common stock. Moreover, unless and until units are made exchangeable, limited partners have no unilateral right to exchange their BGC Holdings limited partnership interests for shares of Class A common stock.

The BGC Holdings limited partnership interests are also subject to redemption, and subject founding/working and other limited partners to non-competition and non-solicitation covenants, as well as other obligations. In addition, the exercise of Cantor's right to purchase from BGC Holdings exchangeable limited partnership interests generally when founding partner units are redeemed or granted exchangeability will result in the share of distributions of income from the operations of our businesses on other outstanding BGC Holdings limited partnership interests, including those held by founding/working and other limited partners, to remain the same rather than increasing as would be the case if such interests were redeemed or granted exchangeability without such Cantor right to purchase. In addition, any purchase of exchangeable limited partnership units by Cantor from BGC Holdings following Cantor's decision to grant exchangeability on founding partner units will result in additional dilution to the other partners of BGC Holdings.

The terms of the BGC Holdings limited partnership interests held by founding/working and limited partners also provide for the following:

- such units are not entitled to reinvest the distributions on their BGC Holdings limited partnership interests in additional BGC Holdings limited partnership interests at preferential or historical prices or at all; and
- Cantor is entitled to receive any amounts from selected extraordinary transactions that are withheld from distributions to certain partners and forfeited by partners leaving BGC Holdings prior to their interests in such withheld distributions fully vesting, rather than any such forfeited amounts accruing to the benefit of all BGC Holdings limited partners on a pro rata basis.

In addition, the ability to acquire shares of our Class A common stock underlying BGC Holdings exchangeable units is not dependent upon the partner's continued employment with us or compliance with partner obligations, and such partners are therefore not restricted from leaving us by the potential loss of such shares.

We may be required to pay Cantor for a significant portion of the tax benefit relating to any additional tax depreciation or amortization deductions we claim as a result of any step up in the tax basis of the assets of BGC U.S. and BGC Global resulting from Cantor's exchange of interests in BGC Holdings for our common stock.

Cantor's partnership interests in BGC Holdings may be exchanged for shares of our Class A common stock or Class B common stock, on a one for one basis (subject to customary anti-dilution adjustments). The exchanges may result in increases to our share of the tax basis of the tangible and intangible assets of each of BGC U.S. and BGC Global that otherwise would not have been available, although the Internal Revenue Service may challenge all or part of that tax basis increase, and a court could sustain such a challenge by the Internal Revenue Service. These increases in tax basis, if sustained, may reduce the amount of tax that we would otherwise be required to pay in the future.

We are a party to rights and obligations under a tax receivable agreement with Cantor that provides for the payment by us to Cantor of 85% of the amount of cash savings, if any, in the U.S. federal, state and local income tax or franchise tax that we actually realize as a result of these increases in tax basis and certain other tax benefits related to its entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. It is expected that we will benefit from the remaining 15% cash savings, if any, in income tax that we realize. Cantor has not exercised this right to date, but there can be no assurance that it will not do so in the future.

Risks Related to our Relationship with Cantor and Its Affiliates

We are controlled by Cantor, which has potential conflicts of interest with us and may exercise its control in a way that favors its interests to our detriment.

Cantor effectively is able to exercise control over our management and affairs and all matters requiring stockholder approval, including the election of our directors and determinations with respect to acquisitions and dispositions, as well as material expansions or contractions of our businesses, entry into new lines of businesses and borrowings and issuances of our Class A common stock and Class B common stock or other securities. This control is subject to the approval of our Audit Committee on those matters requiring such approval. Cantor's voting power may also have the effect of delaying or preventing a change of control of us.

Conflicts of interest may arise between us and Cantor in a number of areas relating to our past and ongoing relationships, including:

- potential acquisitions and dispositions of businesses;
- the issuance or disposition of securities by us;
- the election of new or additional directors to our board of directors;
- the payment of dividends by us (if any), distribution of profits by BGC U.S., BGC Global and/or BGC Holdings and repurchases of shares of our Class A common stock or purchases of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners, and others;
- business operations or business opportunities of ours and Cantor's that would compete with the other party's business opportunities, including Cantor's and our brokerage and financial services;
- intellectual property matters;
- business combinations involving us;
- conflicts between our agency trading for primary and secondary bond sales and Cantor's investment banking bond origination business;
- competition between our and Cantor's other equity derivatives and cash equity inter-dealer brokerage businesses;
- the nature, quality and pricing of administrative services to be provided to or by Cantor and/or Tower Bridge; and
- provision of clearing capital pursuant to the Clearing Agreement and potential and existing loan arrangements.

We also expect Cantor to manage its ownership of us so that it will not be deemed to be an investment company under the Investment Company Act, including by maintaining its voting power in us above a majority absent an applicable exemption from the Investment Company Act. This may result in conflicts with us, including those relating to acquisitions or offerings by us involving issuances of shares of our Class A common stock, or securities convertible or exchangeable into shares of Class A common stock, that would dilute Cantor’s voting power in us.

In addition, Cantor has from time to time in the past and may in the future consider possible strategic realignments of its own businesses and/or of the relationships that exist between and among Cantor and its other affiliates and us. Any future related-party transaction or arrangement between Cantor and its other affiliates and us is subject to the prior approval by our Audit Committee, but generally does not otherwise require the separate approval of our stockholders, and if such stockholder approval is required, Cantor may retain sufficient voting power to provide any such requisite approval without the affirmative consent of the other stockholders. Further, our regulators, including the FCA, may require the consolidation, for regulatory purposes, of Cantor and its other affiliates and us with respect to our U.K.-regulated entities or other entities or require other restructuring of the group. There is no assurance that such consolidation or restructuring would not result in a material expense or disruption to our businesses.

Moreover, the service of officers or partners of Cantor as our executive officers and directors, and those persons’ ownership interests in and payments from Cantor and its affiliates, could create conflicts of interest when we and those directors or executive officers are faced with decisions that could have different implications for us and Cantor. Our ability to retain our key employees and the ability of certain key employees to devote adequate time to us are critical to the success of our businesses, and failure to do so may adversely affect our businesses, financial condition, results of operations and prospects.

Our agreements and other arrangements with Cantor may be amended upon agreement of the parties to those agreements upon approval of our Audit Committee. During the time that we are controlled by Cantor, Cantor may be able to require us to agree to amendments to these agreements. We may not be able to resolve any potential conflicts, and, even if we do, the resolution may be less favorable to us than if we were dealing with an unaffiliated party.

In order to address potential conflicts of interest between Cantor and its representatives and us, our amended and restated certificate of incorporation contains provisions regulating and defining the conduct of our affairs as they may involve Cantor and its representatives, and our powers, rights, duties and liabilities and those of our representatives in connection with our relationship with Cantor and its affiliates, officers, directors, general partners or employees. Our certificate of incorporation provides that no Cantor Company, as defined in our certificate of incorporation, or any of the representatives, as defined in our certificate of incorporation, of a Cantor Company will owe any fiduciary duty to, nor will any Cantor Company or any of their respective representatives be liable for breach of fiduciary duty to, us or any of our stockholders, including with respect to corporate opportunities. The corporate opportunity policy that is included in our certificate of incorporation is designed to resolve potential conflicts of interest between us and Cantor and its representatives.

Our amended and restated certificate of incorporation provides that Cantor and its respective representatives will have no duty to refrain from:

- engaging in the same or similar business activities or lines of business as us; or
- doing business with any of our customers.

The BGC Holdings limited partnership agreement contains similar provisions with respect to us and/or Cantor and each of our respective representatives, and the BGC U.S. and BGC Global limited partnership agreements contain similar provisions with respect to us and/or BGC Holdings and each of our respective representatives.

If Cantor competes with us, it could materially harm our businesses, financial condition, results of operations and prospects.

Agreements between us and Cantor are between related parties, and the terms of these agreements may be less favorable to us than those that we could have negotiated with third parties and may subject us to litigation.

Our relationship with Cantor results in agreements with Cantor that are between related parties. As a result, the prices charged to us or by us for services provided under agreements with Cantor may be higher or lower than prices that may be charged by third parties, and the terms of these agreements may be less favorable to us than those that we could have negotiated with third parties. For example, pursuant to the separation agreement relating to our acquisition of certain of our BGC businesses from Cantor in 2008, Cantor has a right, subject to certain conditions, to be our customer and to pay the lowest commissions paid by any other customer, whether by volume, dollar or other applicable measure. In addition, Cantor has an unlimited right to internally use market data from us without any cost. Any future related-party transactions or arrangements between us and Cantor are subject to the prior approval by our Audit Committee, but generally do not otherwise require the separate approval of our stockholders, and if such stockholder approval were required, Cantor may retain sufficient voting power to provide any such requisite approval without the affirmative consent of the other stockholders.

These related-party relationships may from time to time subject us to litigation. For example, a purported derivative action, since dismissed, was filed alleging that certain related-party transactions were unfair to us.

We are controlled by Cantor, which in turn controls its wholly owned subsidiary, CF&Co, which is acting as our sales agent in our controlled equity offerings and provides us with additional investment banking services. In addition, other affiliates of Cantor may provide us with advice and services from time to time.

We are controlled by Cantor, which in turn controls its wholly owned subsidiary, CF&Co, which acts as our sales agent pursuant to a controlled equity offering sales agreement, which was entered into on November 20, 2014 (the “Sales Agreement”). Pursuant to the Sales Agreement, we may offer and sell up to an aggregate of 20 million shares of our Class A common stock. Under the Sales Agreement, we agree to pay CF&Co 2% of the gross proceeds from the sale of shares of our Class A common stock.

In selling shares of our Class A common stock under the Sales Agreement, we may determine to instruct CF&Co not to sell our shares at less than a minimum price per share designated by us. Alternatively, we may instruct CF&Co to sell our shares so as to seek to realize a designated minimum price per share for all shares sold over a designated time period, or so as to seek to raise a designated minimum dollar amount of gross proceeds from sales of all such shares over a designated time period.

CF&Co has retained independent legal advisors in connection with its role as sales agent under the Sales Agreement, but for the reasons described below it may not be in a position to provide us with independent financial input in connection with the offering of shares of our Class A common stock pursuant to the Sales Agreement. We are not required to, and have not engaged, an independent investment banking firm to act as a qualified independent underwriter or to otherwise provide us with independent input in our controlled equity offerings.

While our board of directors and Audit Committee will be involved with any future decision by us to enter into or terminate new sales agreements with CF&Co, our management has been delegated the authority to determine, and to so instruct CF&Co with respect to, matters involving the manner, timing, number of shares, and minimum prices per share or proceeds for sales of our shares, or the suspension thereof, in our controlled equity offering pursuant to the Sales Agreement. Our management may be expected to consult with appropriate personnel from CF&Co in making such determinations, but given the overlap between our senior management and that of Cantor and its wholly-owned subsidiary, CF&Co, it may be expected that any joint determinations by our senior management and that of CF&Co with respect to our controlled equity offering will involve the same individuals. In making such joint determinations, our Audit Committee has instructed our senior management to act in the best interests of us and our stockholders. Nevertheless, in making such determinations, such individuals will not have the benefit of input from an independent investment banking firm that is able to make its own determinations with respect to our controlled equity offering, including, but not limited to, whether to suspend sales under the Sales Agreement or to terminate the Sales Agreement.

In addition, Cantor, CF&Co and their affiliates have provided investment banking services to us and our affiliates in the past, and may be expected to do so in the future, including acting as our financial advisor in connection with business combinations, dispositions, or other transactions, including the acquisition of GFI, and placing or recommending to us various investments, stock loans or cash management vehicles. They receive customary fees and commissions for these services. They may also receive brokerage and market data and analytics products and services from us and our respective affiliates. From time to time, CF&Co may make a market in our notes. We also provide to and receive from Cantor and its affiliates various administrative services.

Risks Related to Our Class A Common Stock

Purchasers, as well as existing stockholders, may experience significant dilution as a result of offerings of shares of our Class A common stock.

The Sales Agreement with CF&Co currently remains in effect to assist us with partner and employee sales of shares of Class A common stock. It provides for the issuance and sale of up to an aggregate of 20 million shares of our Class A common stock from time to time on a delayed or continuous basis. As of February 9, 2016, we have issued and sold an aggregate of approximately 6.6 million shares of Class A common stock under the Sales Agreement, with approximately 13.4 million shares of Class A common stock remaining to be sold under the Agreement. Further, we have an effective shelf registration statement on Form S-4 with respect to the offer and sale of up to an aggregate of 20 million shares of Class A common stock from time to time in connection with business combination transactions, including acquisitions of other businesses, assets, properties or securities. As of February 19, 2016, we have issued an aggregate of 7.7 million shares of Class A common stock under the Form S-4, all in connection with acquisitions. In addition, in connection with the conversion of our 8.75% Convertible Senior Notes due April 15, 2015, on April 13, 2015 we issued to Cantor in a private placement 24,042,599 shares of our Class A common stock, and in connection with the JPI Back-End Merger to complete our acquisition of GFI, on January 12, 2016 we issued to the JPI stockholders in a private placement 23,481,192 shares of Class A common stock; in both cases, we filed effective shelf registration statements on Form S-3, registering such shares of Class A common stock for resale. Moreover, under our 4.50% Convertible Notes, we are currently obligated to issue up to 16,260,160 shares of Class A common stock upon the conversion of such notes. We also have an effective shelf registration statement on Form S-3 pursuant to which we can offer and sell up to an aggregate of 10 million shares of our Class A common stock under our Dividend Reinvestment and Stock Purchase Plan. As of February 25, 2016, we have issued approximately 232,000 shares of our Class A common stock under such Plan. We have filed a number of registration statements on Form S-8 pursuant to which we have registered the shares underlying our Long Term Incentive Plan. As of December 31, 2015, there were 180.0 million shares remaining for sale under such registration statements.

Because the sales of shares of our Class A common stock under the Sales Agreements have been made, and any other future sales of our Class A common stock may be made, in privately negotiated transactions or directly into the market at prevailing market prices or at prices related to such prevailing market prices, the prices at which these shares have been sold and may be sold in the future will vary, and these variations may be significant. Purchasers of these shares may suffer significant dilution if the price they pay is higher than the price paid by other purchasers of shares of our Class A common stock under the Sales Agreement and any future offerings of our shares of Class A common stock.

In addition, the sale by us of any shares of our Class A common stock may have the following effects:

- our existing Class A common stockholders' proportionate ownership interest in us will decrease;
- our existing Class A common stockholders may suffer significant dilution;
- the amount of cash available per share for dividends payable on shares of our Class A common stock may decrease;
- the relative voting strength of each previously outstanding share of our Class A common stock may be diminished; and
- the market price of our Class A common stock may decline.

Because we intend to use the net proceeds from the sale of shares of our Class A common stock under the Sales Agreement, and may use the net proceeds from future offerings, for general corporate purposes, which, among other things, are expected to include repurchases of shares of our Class A common stock and purchases of BGC Holdings units or other equity interests in us or in our subsidiaries from Cantor, our executive officers, other employees, partners, and others, and/or to replenish cash used to effect such repurchases and purchases, investors should be aware that such net proceeds will not be available for other corporate purposes, and that, depending upon the timing and prices of such repurchases of shares and purchases of units and of the sales of our shares under the Sales Agreement and the liquidity and depth of our market, we may sell a greater aggregate number of shares, at a lower average price per share, under the Sales Agreement than the number of shares or units repurchased or purchased, thereby increasing the aggregate number of shares and units outstanding and decreasing our earnings per share.

We intend to use the net proceeds of the sale of shares of Class A common stock under the Sales Agreement, and may use the net proceeds from future offerings, for general corporate purposes, which among other things, are expected to include repurchases of shares of our Class A common stock and purchases of BGC Holdings units or other equity interests in us or in our subsidiaries from Cantor, our executive officers, other employees, partners, and others, and/or to replenish cash used to effect such repurchases and purchases. From January 1, 2015 to December 31, 2015, we repurchased an aggregate of 1,416,991shares of Class A common stock at an aggregate purchase price of approximately $12.1 million with an average repurchase price of $8.55 per share. During that period, we redeemed for cash an aggregate of 7.5 million limited partnership units at an average price of $8.86 per unit and an aggregate of 100.0 thousand founding/working partner units at an average price of $5.96 per unit. In the future, we expect to continue to repurchase shares of our Class A common stock and redeem or purchase BGC Holdings units from Cantor, our executive officers, other employees, partners, and others, and these repurchases and purchases may be significant.

To the extent that we continue to use the net proceeds of the sale of shares of our Class A common stock to fund repurchases of shares and purchases of units, or to replenish cash used to effect repurchases and purchases, net proceeds will not be available for other corporate purposes. In addition, to the extent that we seek to sell shares of our Class A common stock to raise net proceeds for repurchases of shares and purchases of units, depending upon the timing and prices of the repurchases of shares and purchases of units and of the sales of our shares and the liquidity and depth of our market, we may in fact sell a greater aggregate number of shares of our Class A common stock, at a lower average price per share, in our offerings than the aggregate number of shares repurchased and units purchased by us and the average price per share or unit that we are paying in such repurchases and purchases. Thus, our strategy may result in an increase in the number of our shares and units outstanding and a decrease in our earnings per share on both a basic and a fully diluted basis.

Nevertheless, our management believes that selling shares of our Class A common stock, and using the net proceeds of such sales to repurchase shares and purchase units, is in our best interest and that of our stockholders. While we believe that we can successfully manage our strategy, and that our share price may in fact increase as we increase the amount of cash available for dividends and share repurchases and unit purchases by paying a portion of the compensation of our employees in the form of partnership units and restricted stock, gradually lowering our compensation expenses for purposes of distributable earnings, and lowering our long-term effective tax rate for distributable earnings, there can be no assurance that our strategy will be successful or that we can achieve any or all of such objectives.

The market price of our Class A common stock has fluctuated significantly and may continue to do so. In addition, future sales of shares of Class A common stock by us or selling stockholders could materially adversely affect the market price of the Class A common stock.

The market price of our Class A common stock has fluctuated significantly, and the market price of our Class A common stock may continue to do so depending upon many factors, including our actual results of operations and perceived prospects, the prospects of our competition and of the financial and commercial real estate markets in general, differences between our actual financial and operating results and those expected by investors and analysts, changes in analysts' recommendations or projections, seasonality, changes in general valuations for companies in our business segments, changes in general economic or market conditions and broad market fluctuations. The market price of our Class A common stock may continue to be subject to similar market fluctuations, which may be unrelated to our operating performance or prospects, and increased volatility could result in a decline in the market price of our Class A common stock. Declines in the price of our Class A common stock may adversely affect our ability to recruit and retain key employees, including brokers, salespeople, managers and other professionals.

Future sales of shares of our Class A common stock also could materially adversely affect the market price of our Class A common stock. If our existing stockholders sell a large number of shares, or if we issue a large number of shares of our Class A common stock in connection with public offerings, future acquisitions, strategic alliances, third-party investments and private placements or otherwise, the market price of our Class A common stock could decline significantly.

In addition to our sales of shares of our Class A common stock pursuant to our controlled equity offerings, our acquisition shelf, and our dividend reinvestment plan discussed above, events which could have such an effect include the following:

- In connection with the issuance of 24,042,599 shares of Class A common stock to Cantor upon the conversion by Cantor of the 8.75% Convertible Senior Notes, we filed an effective resale registration statement for such shares on Form S-3 on June 16, 2015;
- In connection with the issuance of 23,481,192 shares of Class A common stock upon the closing of the JPI Back-End Merger, we filed an effective resale registration statement for such shares on Form S-3 on January 12, 2016;
- The 4.50% Convertible Notes are currently convertible into 16,260,160 million shares of Class A common stock;
- We may issue shares of Class A common stock upon the conversion or exchange of any convertible or exchangeable debt securities that may be issued by us in the future;
- Stockholders may resell shares of Class A common stock issuable by us in connection with (i) the conversion by Cantor of shares of its Class B common stock into shares of Class A common stock, (ii) the exchange of Cantor's exchangeable limited partnership interests, (iii) the exchange, redemption, or purchase of partnership units for shares of Class A common stock, including in partnership restructurings, (iv) incentive compensation, including grants of restricted stock, RSUs, and options, and (v) donations of shares by us to The Cantor Fitzgerald Relief Fund; and
- Stockholders may resell outstanding shares of our Class A common stock, including sales by Cantor partners who receive distribution rights shares from Cantor, The Cantor Fitzgerald Relief Fund which may receive donated shares from Cantor or others, and our employees and partners who hold our shares, including those received in compensatory arrangements from us or in connection with acquisitions.

The 4.50% Convertible Notes and the capped call transactions may materially adversely affect the market for and trading price of our Class A common stock.

Owners of our 4.50% Convertible Notes may employ, or seek to employ, a convertible arbitrage strategy with respect to the notes. Investors that employ a convertible arbitrage strategy with respect to the 4.50% Convertible Notes typically will implement that strategy by selling short our Class A common stock underlying the notes or by entering into cash-settled OTC derivative transactions with respect to our Class A common stock that provide investors with short economic exposure to our Class A common stock.

In connection with the sale of the 4.50% Convertible Notes, we entered into capped call transactions with affiliates of Bank of America Merrill Lynch and Deutsche Bank Securities, in connection with the pricing of the notes and the overallotment option to cover the shares of our Class A common stock underlying the notes.

The capped call transactions are expected generally to reduce the potential dilution with respect to our Class A common stock upon conversion of the 4.50% Convertible Notes in the event that the volume-weighted average price per share of our Class A common stock, as measured under the terms of the capped call transactions, is greater than the strike price of the capped call transactions (which initially corresponded to the original conversion price of the notes and is subject to anti-dilution adjustments). If, however, the volume-weighted average price per share of the Class A common stock, as measured under the terms of the capped call transactions, exceeds the cap price of the capped call transactions, the value of the shares of the Class A common stock that we expect to receive upon the exercise of the capped call transactions will be capped, and the dilution mitigation under the capped call transactions will be limited based on such capped value, which means there would be dilution with respect to the Class A common stock to the extent that the then volume-weighted average price per share of the Class A common stock exceeds the cap price of the capped call transactions. A failure by a hedge counterparty (due to bankruptcy or otherwise) to pay or deliver, as the case may be, to us amounts owed to us under the capped call transactions will not reduce the consideration we are required to deliver to a holder upon its conversion of the 4.50% Convertible Notes and may result in an increase in dilution with respect to our Class A common stock.

In connection with hedging the capped call transactions, we believe the hedge counterparties may enter into, or may unwind, various derivative transactions with respect to and/or purchase or sell our Class A common stock in secondary market transactions. Such arbitrage and hedging activities could have the effect of causing or avoiding an increase or decrease in the trading price of the Class A common stock, including during any cash settlement averaging period relating to a conversion of the notes and following any conversion of the notes and during the period prior to the maturity date. The effect, if any, of any of these transactions and activities on our Class A common stock will depend in part on market conditions and cannot be ascertained at this time, but any of these activities could materially adversely affect the market for and trading price of our Class A common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We have offices in the United States, Canada, Europe, United Kingdom, Latin America, Asia, Africa and the Middle East. Our principal executive offices are located at 499 Park Avenue, New York, New York. We also occupy a space at 199 Water Street, New York, New York, which serves as a trading operation for our Financial Services businesses, space at 125 Park Avenue, New York, New York, which serves as the headquarters of our commercial Real Estate Services businesses, and space at 55 Water Street, New York, New York, which serves as the headquarters of our GFI division. Under the Administrative Services Agreement with Cantor, we are obligated to Cantor for our pro rata portion (based on square footage used) of rental expense during the terms of the leases for such spaces.

Our largest presence outside of the New York metropolitan area is in London, located at One Churchill Place, Canary Wharf.

We currently occupy concurrent computing centers in Weehawken, New Jersey and Trumbull, Connecticut, which primarily service our Financial Services segment. In addition, we occupy two data centers in the United Kingdom located in Canary Wharf and Romford, respectively. Our U.S. Financial Services operations also have office space in Princeton, New Jersey, Edison, New Jersey, Palm Beach Gardens, Florida, Garden City, New York and Sugar Land, Texas, and both business segments have office space in Chicago.

After completing the acquisition of Newmark in October 2011, we also have a number of additional offices in several states (Alabama, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Washington) and the District of Columbia, which are used in our Real Estate Services segment. With our acquisitions of Cornish & Carey Commercial and ARA, we have increased the number of offices by approximately thirty within these above-referenced states. In addition, Newmark has licensed its name to commercial real estate providers in certain locations where Newmark does not have its own offices.

ITEM 3. LEGAL PROCEEDINGS

See Note 20—"Commitments, Contingencies and Guarantees" to the Company's consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K, for a description of our legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Price Range of Class A Common Stock

Our Class A common stock is traded on the NASDAQ Global Select Market under the symbol "BGCP." There is no public trading market for our Class B common stock, which is held by Cantor and CFGM. The following table sets forth, for the fiscal quarters indicated, the high and low sales prices per share of our Class A common stock on the NASDAQ Global Select Market.

We declared quarterly dividends of $0.12 for each of the four quarters of 2014 and $0.14 for each of the four quarters of 2015.

	High	Low
2016		
First Quarter (through February 26, 2016)	$ 9.63	$8.27
2015		
First Quarter	$ 9.72	$7.78
Second Quarter	$10.27	$8.38
Third Quarter	$10.05	$7.91
Fourth Quarter	$ 9.90	$7.80
2014		
First Quarter	$ 7.30	$5.96
Second Quarter	$ 7.65	$6.50
Third Quarter	$ 8.01	$7.16
Fourth Quarter	$ 9.57	$6.87

On February 26, 2016, the closing sales price of our Class A common stock on the NASDAQ Global Select Market was $8.87. As of February 26, 2016, there were 342 holders of record of our Class A common stock and two holders of record of our Class B common stock.

Dividend Policy

Our board of directors has authorized a dividend policy which provides that we expect to pay not less than 75% of our "post-tax distributable earnings per fully diluted share" as cash dividends to our common stockholders, with the balance of such distributable earnings to be available to repurchase shares of our Class A common stock or redeem or purchase BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners and others. Please see below for a detailed definition of "post-tax distributable earnings per fully diluted share."

Our board of directors and our Audit Committee have authorized repurchases of shares of our Class A common stock and redemptions of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including those held by Cantor, our executive officers, other employees, partners and others. As of January 31, 2016, we had approximately $291.6 million remaining under this authorization and may continue to actively make repurchases or purchases, or cease to make such repurchases or purchases, from time to time.

We expect to pay such dividends, if and when declared by our board of directors, on a quarterly basis. The dividend to our common stockholders is expected to be calculated based on post-tax distributable earnings allocated to us and generated over the fiscal quarter ending prior to the record date for the dividend. No assurance can be made, however, that a dividend will be paid each quarter.

The declaration, payment, timing and amount of any future dividends payable by us will be at the sole discretion of our board of directors. We are a holding company, with no direct operations, and therefore we are able to pay dividends only from our available cash on hand and funds received from distributions from BGC U.S. and BGC Global. Our ability to pay dividends may also be limited by regulatory considerations as well as by covenants contained in financing or other agreements. In addition, under Delaware law, dividends may be payable only out of surplus, which is our net assets minus our capital (as defined under Delaware law), or, if we have no surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Accordingly, any unanticipated accounting, tax, regulatory or other charges against net income may adversely affect our ability to declare dividends. While we intend to declare and pay dividends quarterly, there can be no assurance that our board of directors will declare dividends at all or on a regular basis or that the amount of our dividends will not change.

Share Repurchases and Unit Purchases

Our Board of Directors and our Audit Committee have authorized repurchases of our Class A common stock and redemptions of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners and others, including Cantor employees and partners. In February 2014, our Audit Committee authorized such repurchases of stock or units from Cantor employees and partners. On October 27, 2015, our Board of Directors and Audit Committee increased the share repurchase and unit redemption authorization to $300 million. As of January 31, 2016, we had approximately $291.6 million remaining from its share repurchase and unit redemption authorization. From time to time, we may actively continue to repurchase shares and/or redeem units.

During the year ended December 31, 2015, we repurchased 1,416,991 shares of our Class A common stock at an aggregate purchase price of approximately $12.1million for an average price of $8.55 per share.

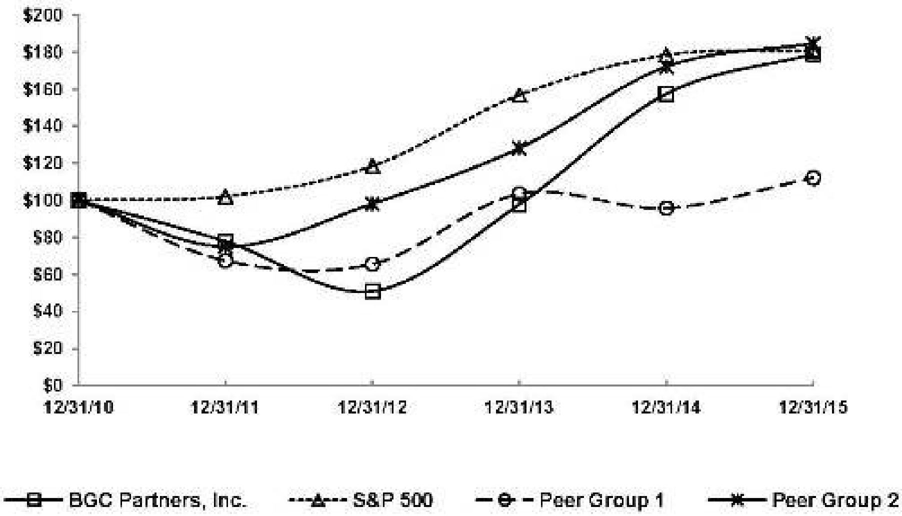
During the fourth quarter of 2015, we repurchased 575,910 shares of our Class A common stock at an aggregate purchase price of $5.3 million for an average price of $9.25 per share.

Table of Contents

PERFORMANCE GRAPH

The performance graph below shows a comparison of the cumulative total stockholder return, on a net dividend reinvestment basis, of $100 invested on December 31, 2010, measured on December 31, 2011, December 31, 2012, December 31, 2013, December 31, 2014 and December 31, 2015. Peer Group 1 consists of Compagnie Financière Tradition SA, ICAP plc and Tullet Prebon plc. Peer Group 2 consists of CBRE Group Inc., Colliers International Group Inc., and Jones Lang Lasalle Inc. On June 2, 2015, First Service Corporation became Colliers International Group Inc. and spun off its residential property management and property services business into a separately traded public company. The stock performance of Colliers International Group Inc. before June 2, 2015 reflects the performance of the combined FirstService Corporation. The returns of the peer group companies have been weighted according to their stock market capitalization for purposes of arriving at a peer group average. Total returns are shown on a "net dividend" basis, which tax effects dividend reinvestments from companies operating under certain U.K and European tax jurisdictions, according to local tax laws.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among BGC Partners, Inc., the S&P 500 Index,
Peer Group 1 and Peer Group 2



* $100 invested on 12/31/10 in stock or index, including reinvestment of dividends.

Partnership and Equity Repurchases

The following table details our share repurchase activity during the fourth quarter of 2015, including the total number of shares purchased, the average price paid per share, the number of shares repurchased as part of our publicly announced repurchase program and the approximate value that may yet be purchased under such program:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program
October 1, 2015 through October 31, 2015	13,715	$ 8.23	13,715	—
November 1, 2015 through November 30, 2015	204,172	$ 9.17	204,172	—
December 1, 2015 through December 31, 2015	358,023	$ 9.34	358,023	—
Total	575,910	$ 9.25	575,910	$294,252,745

Certain Definitions

"Revenues for distributable earnings," "pre-tax distributable earnings" and "post-tax distributable earnings," which are supplemental measures of operating performance that are used by management to evaluate our financial performance and our consolidated subsidiaries' financial performance. We believe that distributable earnings best reflect the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers available for distribution to BGC Partners, Inc. and its common stockholders, as well as to holders of BGC Holdings partnership units during any period.

As compared with "income (loss) from operations before income taxes," "net income (loss) for fully diluted shares," and "fully diluted earnings (loss) per share," all prepared in accordance with GAAP, distributable earnings calculations primarily exclude certain non-cash compensation and other expenses which generally do not involve the receipt or outlay of cash by us, which do not dilute existing stockholders, and which do not have economic consequences, as described below. In addition, distributable earnings calculations exclude certain gains and charges that management believes do not best reflect our ordinary operating results.

Revenues for distributable earnings are defined as GAAP revenues excluding the impact of our non-cash earnings or losses related to its equity investments. Revenues for distributable earnings include the collection of receivables which would have been recognized for GAAP other than for the effect of acquisition accounting. Revenues for distributable earnings also exclude certain one-time or unusual gains that are recognized under GAAP, because we do not believe such gains are reflective of its ongoing, ordinary operations.

Pre-tax distributable earnings are defined as GAAP income (loss) from operations before income taxes excluding items that are primarily non-cash, non-dilutive, and non-economic, such as:

- Non-cash stock-based equity compensation charges for units granted or issued prior to the merger of BGC Partners, Inc. with and into eSpeed, Inc., as well as post-merger non-cash, non-dilutive equity-based compensation related to limited partnership unit exchange or conversion.
- Allocations of net income to founding/working partner and other limited partnership units.
- Non-cash asset impairment charges, if any.

Distributable earnings calculations also exclude charges related to purchases, cancellations or redemptions of partnership interests and certain unusual, one-time or non-recurring items, if any.

"Compensation and employee benefits" expense for distributable earnings will also include broker commission payouts relating to the aforementioned collection of receivables.

Our definition of distributable earnings also excludes certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. This exclusion includes the one-time gain related to the NASDAQ and Trayport transactions. Management believes that excluding these gains and charges best reflects our ongoing operating performance. However, because NASDAQ is expected to pay us in an equal amount of stock on a regular basis for 15 years as part of the transaction, the payments associated with our receipt of such stock are expected to be included in the our calculation of distributable earnings. To make quarter-to-quarter comparisons more meaningful, one-quarter of the annual contingent earn-out amount will be included in our calculation of distributable earnings each quarter as "other revenues."

Since distributable earnings are calculated on a pre-tax basis, management intends to also report "post-tax distributable earnings" and "post-tax distributable earnings per fully diluted share:"

- "Post-tax distributable earnings" are defined as pre-tax distributable earnings adjusted to assume that all pre-tax distributable earnings were taxed at the same effective rate.
- "Post-tax distributable earnings per fully diluted share" are defined as post-tax distributable earnings divided by the weighted-average number of fully diluted shares for the period.

Our distributable earnings per share calculations assume either that:

- The fully diluted share count includes the shares related to the dilutive instruments, such as the 4.50% convertible notes, but excludes the associated interest expense, net of tax, when the impact would be dilutive; or
- The fully diluted share count excludes the shares related to these instruments, but includes the associated interest expense, net of tax.

The share count for distributable earnings excludes shares expected to be issued in future periods but not yet eligible to receive dividends and/or distributions, such as those related to the GFI back-end merger.

Each quarter, the dividend to our common stockholders is expected to be determined by our Board of Directors with reference to post-tax distributable earnings per fully diluted share. In addition to our quarterly dividend to common stockholders, we expect to pay a pro rata distribution of net income to BGC Holdings founding/working partner and other limited partnership units, and to Cantor for its non-controlling interest. The amount of all of these payments is expected to be determined using the above definition of pre-tax distributable earnings per share.

Certain employees who are holders of RSUs may be granted pro rata payments equivalent to the amount of dividends paid to common stockholders. Under GAAP, a portion of the dividend equivalents on RSUs is required to be taken as a compensation charge in the period paid. However, to the extent that they represent cash payments made from the prior period's distributable earnings, they do not dilute existing stockholders and are therefore excluded from the calculation of distributable earnings.

The term "distributable earnings" is not meant to be an exact measure of cash generated by operations and available for distribution, nor should it be considered in isolation or as an alternative to cash flow from operations or GAAP net income (loss.) We view distributable earnings as a metric that is not necessarily indicative of liquidity or the cash available to fund its operations.

Pre- and post-tax distributable earnings are not intended to replace our presentation of GAAP financial results. However, management believes that they help provide investors with a clearer understanding of our financial performance and offer useful information to both management and investors regarding certain financial and business trends related to our financial condition and results of operations. Management believes that distributable earnings and the GAAP measures of financial performance should be considered together.

Management does not anticipate providing an outlook for GAAP "revenues," "income (loss) from operations before income taxes," "net income (loss) for fully diluted shares," and "fully diluted earnings (loss) per share," because the items previously identified as excluded from "pre-tax distributable earnings" and "post-tax distributable earnings" are difficult to forecast. Management will instead provide its outlook only as it relates to "revenues for distributable earnings," "pre-tax distributable earnings," and "post-tax distributable earnings."

Table of Contents

ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA

The following table sets forth selected consolidated financial data for the last five years ended December 31, 2015. This selected consolidated financial data should be read in conjunction with "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" and our Consolidated Financial Statements and the accompanying Notes thereto included elsewhere in this Annual Report on Form 10-K. Amounts in thousands, except per share data.

	Year Ended December 31,				
	2015 [1, 3, 4, 5, 6]	2014 [1, 3, 4]	2013 [1, 2, 3, 4]	2012 [3]	2011 [3]
Consolidated Statements of Operations Data:					
Revenues:					
Commissions	$1,934,128	$1,307,912	$1,202,244	$1,176,009	$ 996,263
Principal transactions	313,142	253,951	309,908	336,160	375,001
Total brokerage revenues	2,247,270	1,561,863	1,512,152	1,512,169	1,371,264
Real estate management services	187,118	163,227	163,353	122,704	1,222
Fees from related parties	25,348	28,379	41,128	53,159	62,227
Market data and software solutions	95,101	9,477	16,338	27,264	26,962
Interest income	10,643	7,312	6,833	6,506	5,441
Other revenues	9,957	17,232	5,177	4,495	4,174
Total revenues	2,575,437	1,787,490	1,744,981	1,726,297	1,471,290
Expenses:					
Compensation and employee benefits	1,694,956	1,121,075	1,255,580	1,032,552	789,534
Allocation of net income and grant of exchangeability to LPUs and FPUs	259,639	136,633	423,589	140,076	126,778
Total compensation and employee benefits	1,954,595	1,257,708	1,679,169	1,172,628	916,312
Other expenses	751,406	573,776	552,996	538,628	494,014
Total expenses	2,706,001	1,831,484	2,232,165	1,711,256	1,410,326
Other income (losses), net:					
Gain on divestiture and sale of investments	394,347	—	723,147	52,471	—
Gains (losses) on equity method investments	1,863	(8,621)	(9,508)	(11,775)	(6,605)
Other income	123,168	49,427	39,466	—	—
Total other income (losses), net	519,378	40,806	753,105	40,696	(6,605)
Income (loss) from operations before income taxes	388,814	(3,188)	265,921	55,737	54,359
Provision for income taxes	120,496	651	92,166	20,224	15,999
Consolidated net income (loss)	268,318	(3,839)	173,755	35,513	38,360
Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	141,530	(7,974)	102,831	11,649	18,223
Net income available to common stockholders	$ 126,788	$ 4,135	$ 70,924	$ 23,864	$ 20,137
Per share data:					
Basic earnings per share	$ 0.52	$ 0.02	$ 0.37	$ 0.16	$ 0.17
Fully diluted earnings per share	$ 0.50	$ 0.02	$ 0.36	$ 0.16	$ 0.17
Basic weighted-average shares of common stock outstanding	243,460	220,697	193,694	144,886	116,132
Fully diluted weighted-average shares of common stock outstanding	335,387	328,455	265,348	280,809	116,514
Dividends declared per share of common stock	$ 0.54	$ 0.48	$ 0.48	$ 0.63	$ 0.65
Dividends declared and paid per share of common stock	$ 0.54	$ 0.48	$ 0.48	$ 0.63	$ 0.65
Cash and cash equivalents	$ 461,207	$ 648,277	$ 716,919	$ 388,409	$ 369,713
Total assets	$3,991,454	$2,751,127	$2,079,363	$1,638,939	$1,405,185
Notes payable and collateralized borrowings	$ 840,877	$ 556,700	$ 258,356	$ 301,444	$ 181,916
Notes payable to related parties	$ —	$ 150,000	$ 150,000	$ 150,000	$ 150,000
Total liabilities	$2,691,739	$2,109,704	$1,309,698	$1,132,688	$ 904,218
Total stockholders' equity	$ 651,123	$ 401,516	$ 464,368	$ 334,292	$ 316,654

1 Periods after June 28, 2013 reflect the Company's divestiture of its on-the-run, electronic benchmark U.S. Treasury platform to NASDAQ on June 28, 2013.
2 Amounts include gains related to the Company's divestiture of its on-the-run, electronic benchmark U.S. Treasury platform to NASDAQ on June 28, 2013.
3 Information reflects the acquisition of Grubb & Ellis effective April 13, 2012 and Newmark effective October 14, 2011.
4 Amounts include the gain related to the earn-out associated with the NASDAQ transaction.
5 On February 26, 2015, the Company completed the acquisition of GFI. The information includes the results of GFI following the acquisition.
6 Amounts include gains related to the Company's sale of all of the equity interests in the entities that made up the Transport business to Intercontinental Stock Exchange, Inc. on December 11, 2015.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of BGC Partners, Inc.'s financial condition and results of operations should be read together with BGC Partners, Inc.'s consolidated financial statements and notes to those statements, as well as the cautionary statements relating to forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), included elsewhere in this report. When used herein, the terms "BGC Partners," "BGC," the "Company," "we," "us" and "our" refer to BGC Partners, Inc., including consolidated subsidiaries.

This discussion summarizes the significant factors affecting our results of operations and financial condition during the years ended December 31, 2015 and 2014. This discussion is provided to increase the understanding of, and should be read in conjunction with, our consolidated financial statements and the notes thereto included elsewhere in this report.

OVERVIEW AND BUSINESS ENVIRONMENT

We are a leading global brokerage company servicing the financial and real estate markets through our Financial Services and Real Estate Services businesses. Through our brands, including BGC ®, GFI ® and RP Martin ™, among others, our Financial Services business specializes in the brokerage of a broad range of products, including fixed income (rates and credit), foreign exchange, equities, energy and commodities, and futures. Our Financial Services business also provides a wide range of services, including trade execution, broker-dealer services, clearing, processing, information, and other back-office services to a broad range of financial and non-financial institutions. Our integrated platform is designed to provide flexibility to customers with regard to price discovery, execution and processing of transactions, and enables them to use voice, hybrid, or in many markets, fully electronic brokerage services in connection with transactions executed either over-the-counter ("OTC") or through an exchange. Through our FENICS ®, BGC Trader ™, BGC Market Data and Capitalab ® brands, we offer fully electronic brokerage, financial technology solutions, market data, post-trade services and analytics related to select financial instruments and markets.

We entered into the commercial real estate business in October 2011 with the acquisition of Newmark & Company Real Estate, Inc. ("Newmark"), a leading U.S. commercial real estate brokerage and advisory firm primarily serving corporate and institutional clients. Newmark was founded in 1929 in New York City. In 2000, Newmark embarked upon a national expansion and in 2006 entered into an agreement with London-based Knight Frank to operate jointly in the Americas as "Newmark Knight Frank." In the second quarter of 2012, we completed the acquisition of substantially all of the assets of Grubb & Ellis Company and its direct and indirect subsidiaries, which we refer to as "Grubb & Ellis." Grubb & Ellis was formed in 1958 and built a full-service national commercial real estate platform of property management, facilities management and brokerage services. Grubb & Ellis was integrated with Newmark Knight Frank to form the resulting brand, Newmark Grubb Knight Frank ("NGKF"). NGKF is a full-service commercial real estate platform that comprises our Real Estate Services segment, offering commercial real estate tenants, owners, investors and developers a wide range of services, including leasing and corporate advisory, investment sales, and real estate finance, consulting, project and development management, and property and facilities management.

Our customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers and investment firms. We have offices in dozens of major markets, including New York and London, as well as in Atlanta, Beijing, Boston, Charlotte, Chicago, Copenhagen, Dallas, Denver, Dubai, Hong Kong, Houston, Istanbul, Johannesburg, Los Angeles, Mexico City, Miami, Moscow, Nyon, Paris, Philadelphia, Rio de Janeiro, San Francisco, Santa Clara, São Paulo, Seoul, Shanghai, Singapore, Sydney, Tokyo, Toronto, Washington, D.C. and Zurich, as well as over 50 other offices.

We remain confident in our future growth prospects as we continue to increase the scale and depth of our Financial Services and Real Estate Services platforms and continue to seek market-driven opportunities to expand our business in numerous financial asset classes. This was exemplified by the successful completion of our tender offer for the majority of GFI's outstanding common shares. Beginning in the first quarter of 2015, BGC began consolidating the results of GFI, which continues to operate as a separately branded division of BGC. On January 12, 2016, we completed the merger with GFI by acquiring 100 percent of GFI's outstanding shares (see "Successful Completion of Tender Offer to Acquire GFI Group, Inc."). We also completed the purchase of remaining Apartment Realty Advisers ("ARA") members, Computerized Facility Integration ("CFI"), Excess Space, Steffner Commercial Real Estate (which operates as Newmark Grubb Memphis), and Cincinnati Commercial Real Estate ("CCR") during this year. By adding these leading companies to our platform, we have greatly broadened the scope and depth of services we can provide to our clients across our consolidated business. We have continued to make key hires around the world and integrate other recent acquisitions onto our global platform. We expect these additions to increase our revenues and earnings per share going forward. These investments underscore BGC's ongoing commitment to make accretive acquisitions and profitable hires.

Successful Completion of Tender Offer to Acquire GFI Group, Inc.

GFI is a leading intermediary and provider of trading technologies and support services to the global OTC and listed markets. GFI serves more than 2,500 institutional clients in operating electronic and hybrid markets for cash and derivative products across multiple asset classes. On February 26, 2015, we successfully completed our tender offer to acquire shares of common stock, par value $0.01 per share, of GFI for $6.10 per share in cash and accepted for purchase 54.3 million shares tendered to us pursuant to the offer. The tendered shares, together with the 17.1 million shares already owned by us, represented approximately 56% of the then-outstanding shares of GFI. We issued payment for the tendered shares on March 4, 2015 in the aggregate amount of $331.1 million. On April 28, 2015, we purchased from GFI approximately 43.0 million new shares at that date's closing price of $5.81 per share, for an aggregate purchase price of $250 million. The purchase price was paid to GFI in the form of a note due on June 19, 2018 that bore an interest rate of LIBOR plus 200 basis points. The new shares and the note eliminate in consolidation. Following the issuance of the new shares, we owned approximately 67% of GFI's outstanding common stock, which gave us control over the timing and process for the completion of a back-end merger (the "Back-End Mergers") pursuant to the tender offer agreement.

On January 12, 2016, we completed our acquisition (the "JPI Merger") of Jersey Partners, Inc. ("JPI"). The JPI Merger occurred pursuant to a merger agreement (the "Merger Agreement"), dated as of December 22, 2015. Shortly following the completion of the JPI Merger, a subsidiary of BGC merged with and into GFI pursuant to a short-form merger under Delaware law, with GFI continuing as the surviving entity (the "GFI Merger"). The Back-End Mergers allowed BGC to acquire the remaining approximately 33 percent of the outstanding shares of GFI common stock that BGC did not already own. Following the closing of the Back-End Mergers, BGC and its affiliates now own 100 percent of the outstanding shares of GFI's common stock. See Note 4—"Acquisitions" to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information about the GFI transaction.

In total, approximately 23.5 million shares of BGC Class A Common Stock and $111.3 million in cash were issued or paid with respect to the closing of the Back-End Mergers, inclusive of adjustments. The total purchase consideration for all shares of GFI purchased by BGC was approximately $750 million, net of the $250.0 million note previously issued to GFI by BGC, which is eliminated in consolidation. This figure excludes the $29.0 million gain recorded in the first quarter of 2015 with respect to the appreciation of the 17.1 million shares of GFI held by BGC prior to the successful completion of the tender offer. The excess of total consideration over the fair value of the total net assets acquired, of approximately $453.8 million, has been recorded to goodwill and was allocated to our Financial Services.

We believe the combination of BGC and GFI creates a strong and diversified Financial Services business, well positioned to capture future growth opportunities. Through this combination, we expect to deliver substantial benefits to customers of the combined company, and we expect to become the largest and most profitable wholesale brokerage company. We also believe this is a highly complementary combination, which will result in meaningful economies of scale. While the front office operations will remain separately branded divisions, the back office, technology, and infrastructure of these two companies are integrating in a smart and deliberate way. In the fourth quarter of 2015, we met our target of reducing Financial Services annualized expenses by at least $50 million by the first quarter of 2016. We had previously expected a minimum of $40 million in further annualized cost savings by the first quarter of 2017, for a total of at least $90 million in annual savings. We now anticipate achieving a minimum of $100 million in annual savings by the end of 2016. The improvement to our pre-tax profitability we expect to achieve with the $100 million in annualized cost savings will be at least 25 percent higher than the full year revenues of Trayport, which we have sold to ICE for $650 million on December 11, 2015.

On July 10, 2015, the Company guaranteed the obligations of GFI under the 8.375% Senior Notes; as a consequence of guaranteeing GFI's debt, we have substantially improved the credit rating of GFI's bonds and lowered future interest payments. We have also been able to free up capital set aside for regulatory and clearing purposes, allowing us to use our balance sheet more efficiently. As the integration of BGC and GFI continues, we expect to generate increased productivity per broker and to continue converting voice and hybrid broking to more profitable fully electronic trading, all of which should lead to increased revenues, profitability and cash flows. In addition, we expect our results to further improve as we invest the net proceeds from the $650 million Trayport sale.

Trayport Transaction

On December 11, 2015, we completed the sale (the "Trayport Transaction") of all of the equity interests in the entities that make up the Trayport business (the "Trayport Business") to Intercontinental Stock Exchange, Inc. ("ICE"). The Trayport Business was GFI's electronic European energy software business. The Trayport Transaction occurred pursuant to a Stock Purchase Agreement, dated as of November 15, 2015. At the closing, we received 2,527,658 shares of ICE common stock issued with respect to the $650 million purchase price, which was adjusted at closing. Trayport, prior to its sale, had generated revenues of approximately $80 million over the twelve months ended September 30, 2015. BGC expects to pay effective cash taxes of no more than $64 million related to the Trayport purchase price, or an expected rate of less than 10 percent.

NASDAQ Transaction

On June 28, 2013, we completed the sale (the "NASDAQ Transaction") of certain assets to NASDAQ, which purchased certain assets and assumed certain liabilities from us and our affiliates, including the eSpeed brand name and various assets comprising the fully electronic portion of our benchmark on-the-run U.S. Treasury brokerage, market data and co-location service businesses (the "Purchased Assets" or "eSpeed"), for cash consideration of $750 million paid at closing, plus an earn-out of up to 14,883,705 shares of NASDAQ common stock to be paid ratably in each of the fifteen years following the closing in which the consolidated gross revenue of NASDAQ is equal to or greater than $25 million. Through December 31, 2015, we have received 2,976,741 shares of NASDAQ common stock in accordance with the agreement. The contingent future issuances of NASDAQ common stock are also subject to acceleration upon the occurrence of certain events, including the acquisition by any person of 50% or more of NASDAQ's stock (including by merger), NASDAQ ceasing to hold Purchased Assets representing 50% or more of the aggregate revenue attributable to the Purchased Assets as of the closing, and the sale of all or substantially all of NASDAQ's assets, as well as to certain anti-dilution provisions.

As a result of the sale of eSpeed, we only sold our on-the-run benchmark 2-, 3-, 5-, 7-, 10-, and 30-year fully electronic trading platform for U.S. Treasury Notes and Bonds. We continue to offer voice brokerage for on-the-run U.S. Treasuries, as well as across various other products in rates, credit, FX, market data and software solutions. As we continue to focus our efforts on converting voice and hybrid desks to electronic execution, our e-businesses, excluding Trayport and including revenues from intra-company technology services, continued to grow their revenues and generated $224.3 million and $99.0 million in revenues during the year ended December 31, 2015, and 2014 respectively. Our annualized fully electronic revenues are more than double those of eSpeed, which generated $48.6 million in revenues for the six months ended June 30, 2013 and was sold in the second quarter of 2013 for $1.2 billion.

For the purposes of this document and subsequent SEC filings, all of our fully electronic businesses are referred to as “FENICS.” These offerings include Financial Services segment fully electronic brokerage products, as well as offerings in market data and software solutions across both BGC and GFI. FENICS results do not include the results of Trayport, either before or after the completed sale to ICE. Going forward we expect these businesses to become an even more valuable part of BGC as they continue to grow faster than, and be substantially larger than eSpeed ever was for us.

Financial Services:

The financial intermediary sector has been a competitive area that grew over the first half of the past decade due to several factors. One factor was the increasing use of derivatives to manage risk or to take advantage of the anticipated direction of a market by allowing users to protect gains and/or guard against losses in the price of underlying assets without having to buy or sell the underlying assets. Derivatives are often used to mitigate the risks associated with interest rates, equity ownership, changes in the value of foreign currency, credit defaults by corporate and sovereign debtors and changes in the prices of commodity products. For the period from 1998 through 2007, demand from financial institutions, financial services intermediaries and large corporations has increased volumes in the wholesale derivatives market, thereby increasing the business opportunity for financial intermediaries.

Another key factor in the growth of the financial intermediary sector during the same timeframe was the increase in the number of new financial products. As market participants and their customers strive to mitigate risk, new types of equity and fixed income securities, futures, options and other financial instruments have been developed. Most of these new securities and derivatives are not immediately ready for more liquid and standardized electronic markets, and generally increase the need for trading and require broker-assisted execution.

In recent years, our Financial Services businesses have faced more challenging market conditions. While our foreign exchange (“FX”), energy and commodities, and equities and other businesses operated in a generally improved macro environment in recent periods, our credit and rates businesses have continued to face a challenging macro environment that has been part of a greater industry trend which has been attributed to a number of cyclical factors, including accommodative monetary policies by several major central banks including the Federal Reserve, Bank of England, Bank of Japan and the European Central Bank. These accommodative monetary policies have resulted in historically low levels of volatility and interest rates across most financial markets. The global credit markets have also faced structural issues such as increased bank capital requirements under Basel III. Consequently, these factors have contributed to lower trading volumes in our rates and credit asset classes across most geographies in which we operate.

Regulators in the U.S. have finalized most of the new rules across a range of financial marketplaces, including OTC derivatives, as mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”). Many of these rules became effective in prior years, while ongoing phase-ins are anticipated over coming years. Legislators and regulators in Europe and the Asia-Pacific region have crafted similar rules, some of which have already been implemented, specifically those falling under the Markets in Financial Instruments Directive II (“MiFID II”), while others are expected to be implemented in the future.

These OTC-related regulations and proposed rules call for, among other actions, additional pre- and post-trade market transparency, heightened collateral and capital standards, the transacting of certain derivatives using authorized venues, central clearing of most standardized derivatives, specific business conduct standards and the delivery of transaction data to newly designated trade repositories for public dissemination.

BGC Derivative Markets and GFI Swaps Exchange, our subsidiaries, began operating as Swap Execution Facilities (“SEFs”) on October 2, 2013. Both BGC Derivative Markets and GFI Swaps Exchange received permanent registration approval from the CFTC as SEFs on January 22, 2016. Mandatory Dodd-Frank Act compliant execution on SEFs by eligible U.S. persons commenced in February 2014 for “made available to trade” products, and a wide range of other rules relating to the execution and clearing of derivative products have been finalized with implementation periods in 2016 and beyond. We also maintain our ownership stake in ELX, a CFTC-approved designated contract market (“DCM”).

We believe that our relative competitive position is strong in this changing environment, and that we will gain market share. This is because the new rules not only require OTC market execution venues to maintain robust front-end and back-office IT capabilities and to make large and ongoing technology investments, but also because recent revisions to the execution methodology rules will allow elements of voice brokerage to flourish. We are a leader in both the breadth and scale of our hybrid and fully electronic trading capability, and we expect to outperform our competitors in such an environment.

Over the past few years there has been significant consolidation among the interdealer-brokers and wholesale brokers with whom we compete. In addition to our 2015 acquisition of GFI, Tullett Prebon plc ("Tullett") and ICAP plc ("ICAP") recently announced an agreement whereby Tullett will purchase ICAP's global hybrid voice broking and information business. We expect to continue to compete with ICAP's remaining electronic markets, post-trade and information businesses through the various offerings on our FENICS platform. We will also continue to compete with Tullett across the voice/hybrid brokerage marketplace. However, we view the recent consolidation in the industry favorably, as we expect it to provide additional operating leverage to our Financial Services businesses in the future.

Growth Drivers

As a wholesale intermediary, our business is driven primarily by overall industry volumes in the markets in which we broker, the size and productivity of our front-office headcount (including brokers, salespeople, managers and other front-office personnel), regulatory issues and the percentage of our revenues we are able to execute by fully electronic means.

Below is a brief analysis of the market and industry volumes for some of our financial services products including our overall hybrid and fully electronic trading activities.

Overall Market Volumes and Volatility

Volume is driven by a number of items, including the level of issuance for financial instruments, the price volatility of financial instruments, macro-economic conditions, the creation and adoption of new products, the regulatory environment, and the introduction and adoption of new trading technologies. In general, increased price volatility increases the demand for hedging instruments, including many of the cash and derivative products that we broker.

Rates volumes in particular are influenced by market volatility, which has recently begun its rise as compared with recent averages. Central bank quantitative easing globally has reduced volumes because it entails the central banks buying government securities or other securities in the open market—particularly longer-dated instruments—in an effort to promote increased lending and liquidity and bring down long-term interest rates. When central banks hold these instruments, they tend not to trade or hedge—thus lowering rates volumes across cash and derivatives markets industry-wide. Despite the conclusion of its Quantitative Easing program in the fourth quarter of 2014, the U.S. Federal Reserve still had over $3.7 trillion worth of long-dated U.S. Treasury and Federal Agency securities as of January 1, 2016, compared with $1.7 trillion at the beginning of 2011 and zero prior to September 2008. Additionally, the U.S. Federal Reserve has continued to roll over its existing positions and it is expected to keep its balance sheet at elevated levels for the foreseeable future. Other major central banks have also greatly increased the amount of longer-dated debt on their balance sheets over the past few years and have indicated that they may continue to do so.

In addition, the G-20 central banks have agreed to implement the Basel III accord. Basel III was drafted with the intention of making banks more stable in the wake of the financial crisis. The accord, which will be phased in over the next few years, will force most large banks in G-20 nations to hold approximately three times as much Tier 1 capital as is required under the previous set of rules. These capital rules make it more expensive for banks to hold non-sovereign debt assets on their balance sheets, and as a result, analysts say banks have reduced or will reduce their trading activity in corporate and asset-backed fixed income securities as well as in various other OTC cash and derivative instruments. We believe that this has further reduced overall industry volumes in many of the products we broker, particularly in credit.

During the year ended December 31, 2015, industry volumes were generally mixed year-on-year for the OTC and listed products we broker in rates, credit, FX, equities, energy and commodities. For example, volumes were generally up within equities, energy and commodities, FX futures, and European interest rate futures, while volumes were generally down within U.S. interest rate futures, spot FX, and credit. Below is an expanded discussion of the volume and growth drivers of our various financial services brokerage product categories.

Rates Volumes and Volatility

Our rates business is influenced by a number of factors, including global sovereign issuances, secondary trading and the hedging of these sovereign debt instruments. While the amount of global sovereign debt outstanding remains high by historical standards, the level of secondary trading and related hedging activity remains muted. For example, according to the Securities Industry and Financial Markets Association ("SIFMA"), the average daily volume of U.S. Treasuries among primary dealers was flat during the fourth quarter of 2015 as compared with a year earlier. Additionally, interest rate volumes were down by approximately 18% at CME, and up by 3% at Eurex. In comparison, our fully electronic rates revenues were up by approximately 37.3% from a year earlier, driven largely by the acquisition of GFI. Overall revenues from rates products were up by approximately 16.7% during the period to $468.5 million, primarily driven by the addition of GFI and R.P. Martin.

Our rates revenues are not totally dependent on market volumes and therefore do not always fluctuate consistently with industry metrics. This is largely because our voice, hybrid, and fully electronic desks in rates often have volume discounts built into their price structure, which results in our rates revenues being less volatile than the overall industry volumes.

Overall, analysts and economists expect the absolute level of sovereign debt outstanding to remain at elevated levels for the foreseeable future as governments finance their future deficits and roll over their sizable existing debt. For example, the Organization for Economic Cooperation and Development (“OECD”)—which includes almost all of the advanced and developed economies of the world—reported that general government debt as a percentage of GDP will be 71.8% for the entire OECD in 2017. This would represent a slight increase from 71.7% in 2015, but up considerably from the 39.2% figure in 2007. Meanwhile, economists expect that the effects of various forms of quantitative easing will continue to negatively impact financial markets, as economic growth remains weak in most OECD countries. As a result, we expect long-term tailwinds in our rates business from continuing high levels of government debt, but continued near-term headwinds due to the continued accommodative monetary policy of many major central banks.

Foreign Exchange Volumes and Volatility

Global FX volumes were generally mixed during 2015, as the fourth quarter reflected the anticipated and eventual rise of U.S. interest rates for the first time since 2006. Additionally, FX volumes were impacted by the intervention and support of certain emerging market currencies by their respective central governments. Thus, spot FX at Thomson Reuters was down 6%, while FX futures at CME were up 9%. Our fully electronic FX revenues increased approximately 56.3%, while our overall FX revenues increased by 44.4% to $310.6 million, primarily related to the acquisitions of GFI and R.P. Martin, as well as organic growth.

Credit Volumes

The cash portion of our credit business is impacted by the level of global corporate bond issuance, while both the cash and credit derivatives side of this business are impacted by sovereign and corporate issuance. Global credit derivative market turnover has declined over the last few years due to the introduction of rules and regulation for the clearing of credit derivatives in the U.S. and elsewhere, along with non-uniform regulation across different geographies. In addition, many of our large bank customers continue to reduce their inventory of bonds and other credit products in order to comply with Basel III and other international financial regulations. During the year, primary dealer average daily volume for corporate bonds was down by 7% according to Bloomberg. As of December 31, 2015, total dealer gross notional credit derivatives outstanding as reported by SIFMA—a reflection of the inter-dealer derivatives market—was down by over 25% from a year earlier. In comparison, our fully electronic credit revenues were up 101.4%, driven largely by the addition of GFI, while overall credit revenues increased by over 21.0% to $273.3 million.

Energy and Commodities

Energy and commodities volumes were generally up during 2015, driven by the increased volatility exhibited in global oil and other physical commodity prices. Combined energy and commodity futures volumes at CME were up 16% while energy futures were up 7% at ICE. BGC’s energy and commodities revenues were up 255.4% to $198.3 million, largely driven by the acquisition of GFI and double-digit organic growth.

Equities and Other Asset Classes

Global equity volumes were generally mixed during the year, as fund outflows increased during the second half of the year. According to Credit Suisse Equity Research, the average daily volumes of U.S. shares were flat, while European shares traded were up 6%. Additionally, equity derivatives were down 11% as compared to a year ago. In contrast, our overall revenues from equities and other asset classes increased by 55.7% to $187.7 million, driven by the acquisition of GFI.

Hybrid and Fully Electronic Trading

Historically, technology-based product growth has led to higher margins and greater profits over time for exchanges and wholesale financial intermediaries alike, even if overall company revenues remain consistent. This is largely because fewer employees are needed to process the same volume of trades as trading becomes more automated. Over time, electronification of exchange-traded and OTC markets has also generally led to volumes increasing faster than commissions decline, and thus often to an overall increase in revenues. We have been a pioneer in creating and encouraging hybrid and fully electronic trading, and we continually work with our customers to expand such trading across more asset classes and geographies.

Outside of U.S. Treasuries and spot FX, the banks and broker-dealers that dominate the OTC markets had generally been hesitant in adopting electronically traded products. However, in recent years, hybrid and fully electronic wholesale OTC markets for products, including CDS indices, FX options, and most recently interest rate swaps, have been created as banks and dealers have become more open to electronically traded products and as firms like us have invested in the kinds of technology favored by our customers. Recently enacted and pending regulation in Asia, Europe and the U.S. regarding banking, capital markets, and OTC derivatives has accelerated the adoption of fully electronic trading and we expect to benefit from the rules and regulation surrounding OTC derivatives. Our understanding is that the rules that have been adopted or are being finalized will continue to allow for trading through a variety of means, including voice, and we believe the net impact of these rules and additional bank capital requirements will encourage the growth of fully electronic trading for a number of products we broker.

The combination of more market acceptance of hybrid and fully electronic trading and our competitive advantage in terms of technology and experience has contributed to our strong gains in electronically traded products. We continued to invest in hybrid and fully electronic technology broadly across our financial services product categories. FENICS has exhibited significant growth that we believe has outpaced the financial technology and wholesale brokerage industry as a whole. We expect this trend to continue as we convert more of our voice and hybrid brokerage into fully electronic brokerage across our FENICS platform.

FENICS revenues, excluding Trayport and including revenues from intra-company technology services, increased by over 126.6% to $224.3 million for the year, as compared with $99.0 million for the year ended December 31, 2014. The increase in overall FENICS revenues for the year was primarily due to the acquisition of GFI along with the strong organic growth generated by our market data and software solutions products. We offer electronically traded products on a significant portion of our Financial Services segment's hundreds of brokerage desks. The revenues, profits, and growth of these products are more than double those of eSpeed, which we sold in the second quarter of 2013 for over $1.2 billion. The financial results and strong momentum of FENICS also compare favorably to other highly valuable electronic trading platforms that are either publicly-traded or that have recently been sold by other companies. We expect the proportion of desks offering electronically traded products to continue to increase as we invest in technology to drive electronic trading over our platform. Over time, we expect the growth of FENICS to further improve this segment's profitability and market share.

Real Estate Services:

Our discussion of financial results for "Newmark Grubb Knight Frank," "NGKF," or "Real Estate Services" reflects only those businesses owned by us and does not include the results for Knight Frank or for the independently-owned offices that use some variation of the NGKF name in their branding or marketing.

Our Real Estate Services segment continued to show strong growth and generated approximately 39% of our revenues for the year ended December 31, 2015. Real Estate brokerage revenues grew by 48.7% year-over-year, which included growth in real estate capital markets of 115.0% and in leasing and other services of 28.9%. This growth was primarily driven by the additions of ARA, Cornish & Carey, and Excess Space along with strong organic growth. While we benefited from positive industry trends, we believe that NGKF continued to gain market share. Our Real Estate management services and other revenues were up by 15.0%; and overall revenues improved by 40.9%. Our acquisitions of Cornish & Carey and ARA are expected to continue to drive future growth of our Real Estate Services business, particularly in the higher margin capital markets brokerage space.

We expect the overall profitability of our Real Estate Services business to increase as we increase its size and scale. However, the pre-tax margins in the segment are also impacted by the mix of revenues generated by NGKF. For example, real estate capital markets, which includes sales, commercial mortgage broking, and other real estate-related financial services, generally has larger transactions that occur with less frequency and more seasonality when compared with leasing advisory. However, real estate capital markets tend to have significantly higher pre-tax margins than NGKF as a whole. Leasing advisory revenues are generally more predictable than revenues from real estate capital markets, while pre-tax earnings margins tend to be more similar to those of the segment as a whole. Property and facilities management, which together are called "real estate management services," generally have the most predictable and steady revenues, but with pre-tax earnings margins below those for NGKF as a whole. When management services clients agree to give us exclusive rights to provide real estate services for their facilities or properties, it is for an extended period of time, which provides us with stable and foreseeable sources of brokerage revenues.

Growth Drivers

The key drivers of revenue growth for U.S. commercial real estate brokerage services companies include the overall health of the U.S. economy, including gross domestic product and employment trends in the U.S., which drives demand for various types of commercial leases and purchases, the institutional ownership of commercial real estate as an investible asset class, and the ability to attract and retain talent to our real estate services platform. In addition, in real estate sales, also known as real estate capital markets, growth is driven by the availability of credit to purchasers of and investors in commercial real estate.

Economic Growth in the U.S.

The U.S. economy is believed to have expanded by an annualized rate of 2.4% during 2015 according to the U.S. Bureau of Economic Analysis's advance estimate, consistent with the average annual increase of 2.4% for the twelve months ended 2014. Many economists believe that U.S. economic growth faces near-term headwinds with a strong U.S. dollar and depressed energy prices that adversely impact certain industries and geographies of the country. However, according to the most recent Bloomberg survey of economists, the consensus is for U.S. GDP to expand by 2.4% in 2016 and 2.3% in 2017. This moderate pace of growth should keep interest rates and inflation low by historical standards.

The Bureau of Labor Statistics preliminarily reported that employers added a monthly average of 279,000 net new payroll jobs during the fourth quarter, as compared to 274,000 in the prior year period. U.S. employers added 292,000 jobs in December of 2015, versus the trailing twelve month average of 226,000. Despite the return to pre-recession unemployment rates (5.0% as of December 2015), the number of long-term unemployed and the labor force participation rate (the latter of which is near a 38-year low) remain disappointing for many economists, but these indicators are less important to commercial real estate than job creation.

The 10-year Treasury yield ended the fourth quarter at 2.27%, down from the prior quarter-end, but up from its recent low of 1.64% on January 30, 2015. 10-year Treasury yields have remained well below their 40-year average of approximately 6.6%, in large part due to market expectations that the Federal Open Market Committee ("FOMC") will only moderately raise the federal funds rate over the next few years.

The combination of moderate economic growth and low interest rates that has been in place since the recession ended has been a powerful stimulus for commercial real estate, delivering steady absorption of excess space and strong investor demand for the yields available through both direct ownership of assets and publicly traded funds. Steady economic growth and low interest rates helped push vacancy rates down for the office, apartment, retail and industrial markets. Construction activity, though it is ramping up, remains low compared with prior expansion cycles and low relative to demand and absorption, which means that property leasing markets continue to tighten. The exception to this trend is apartments, where construction activity has caught up with, though not yet exceeded, demand, keeping vacancies at historic lows. Asking rental rates posted moderate gains across all property types during 2015, propelled by demand for Class A assets in the top submarkets and increasingly Class B space as renewing tenants realize how much Class A rents have risen. The following trends drove the commercial real estate market for 2015:

- Sustained U.S. employment growth and rising home values have fueled the economy and generated demand for commercial real estate space across all major sectors;
- Technology, professional and business services and healthcare continued to power demand for office space. Languishing oil prices continue to pose a challenge for Texas and other energy-dependent markets, but the major Texas metropolitan areas have diversified economies. Even in Houston, the most energy-dependent large Texas metropolitan area, the local economy has downshifted but not gone into reverse;
- E-commerce and supply-chain optimization created tenant and owner-user demand for warehouses and distribution centers;
- Apartment rents benefited from sustained job growth, and underlying demographic trends towards urban living amongst two key age groups: millennials and baby boomers; and
- Continued corporate employment and earnings growth, combined with increased leisure travel generated demand for hotel room-nights.

Market Statistics

The U.S commercial property market continues to display considerable strength, posting twenty-three consecutive quarters of gains in commercial property prices, as measured by the Commercial Property Price Index, reported by Moody’s Real Capital Analytics (“RCA”). Additionally, U.S. commercial real estate sales volumes have increased year-on-year in twenty-four of the last twenty-five quarters, as reported by RCA. If the U.S. economy continues to expand at the moderate pace envisioned by many economists, we would expect this to fuel the continued expansion of demand for commercial real estate.

According to CoStar’s Value-Weighted U.S. Composite Index, average prices were up by over 12% year-over-year for the twelve-months ended November 2015. During 2015, the dollar volume of significant property sales totaled $533 billion in the U.S., up by 23% from the year ago period according to RCA. In comparison, our real estate capital markets revenue increased approximately 115.0% year-over-year, primarily due to growth resulting from the acquisitions of ARA and Cornish & Carey in addition to strong organic growth.

Although overall industry metrics are not necessarily as correlated to our revenues in Real Estate Services as they are in Financial Services, they do provide some indication of the general direction of the business. According to Newmark Grubb Knight Frank Research, the combined average vacancy rate for office, industrial, and retail properties ended the year at 7.9% down from 8.5% a year earlier, marking twenty-three consecutive quarters of improving average vacancy rates. Rents for all property types in the U.S. continued to improve modestly. According to NGKF Research, leasing activity during 2015 was roughly flat with the year ago period. In comparison, revenues from our leasing and other services business grew by approximately 28.9%.

REGULATORY ENVIRONMENT

See “Regulation” in Part I, Item 1 of our Annual Report on Form 10-K for information related to our regulatory environment.

LIQUIDITY

See “Liquidity and Capital Resources” herein for information related to our liquidity and capital resources.

HIRING AND ACQUISITIONS

A key driver of our revenue is front-office headcount. We believe that our strong technology platform and unique partnership structure have enabled us to use both acquisitions and recruiting to profitably increase our front-office staff at a faster rate than our largest competitors since our formation in 2004.

We have invested significantly to capitalize on the current business environment through acquisitions, technology spending and the hiring of new brokers, salespeople, managers and other front-office personnel. The business climate for these acquisitions has been competitive, and it is expected that these conditions will persist for the foreseeable future. We have been able to attract businesses and brokers, salespeople, managers and other front-office personnel to our platform as we believe they recognize that we have the scale, technology, experience and expertise to succeed in the current business environment.

As of December 31, 2015, our front-office headcount was up by 35% year-over-year to 3,855 brokers, salespeople, managers and other front-office personnel. This increase was primarily due to the acquisitions made throughout the year. For the year ended December 31, 2015, average revenue generated per front-office employee increased by 2% from a year ago to approximately $638,000. The increase in overall company revenue per front-office employee was primarily driven by strong performance in our Real Estate Services business.

BGC's average revenue per front office employee has historically declined year-over-year for the periods following significant headcount increases, because the additional brokers and salespeople generally achieve significantly higher productivity levels in their second year with the Company.

The laws and regulations passed or proposed on both sides of the Atlantic concerning OTC trading seem likely to favor increased use of technology by all market participants, and are likely to accelerate the adoption of both hybrid and fully electronic trading. We believe these developments will favor the larger inter-dealer brokers over smaller, non-public inter-dealer brokers, as the smaller ones generally do not have the financial resources to invest the necessary amounts in technology. We believe this will lead to further consolidation across the wholesale financial brokerage industry, and thus further allow us to profitably grow our front-office headcount.

Since 2013, our acquisitions have included Sterling International Brokers Limited, HEAT Energy Group, Remate Lince, Cornish & Carey Commercial, ARA, R.P. Martin, GFI, Excess Space, CFI, Steffner Commercial Real Estate, and CCR.

During the year ended December 31, 2013, we acquired in our Financial Services business, the business and certain assets of Sterling International Brokers Limited, a London-based financial brokerage firm specializing in Pound Sterling and other major currency transactions.

During 2014 we completed the following acquisitions in our Financial Services business: Remate Lince, the leading Mexican inter-dealer broker focusing on interest rate derivatives and fixed income; HEAT Energy Group, which specializes in East Coast U.S. power brokerage; and R.P. Martin, a market-leading interdealer brokerage focusing on European interest rates and foreign exchange products. We also continued to make key hires around the world. We expect these additions to increase to earnings per share going forward. These investments underscore BGC's ongoing commitment to make accretive acquisitions and profitably hire, and we are confident in our ability to utilize our capital to achieve strong revenue and earnings growth going forward.

During 2014 in our Real Estate Services business we completed the acquisition of members of ARA, the nation's largest privately held, multi-housing brokerage and the acquisition of Cornish & Carey, the leading commercial real estate services company in the Bay Area and Silicon Valley. ARA had approximately 100 brokers with offices nationwide and completed more than $3.3 billion in multi-family sales in the first nine months of 2014. Cornish & Carey had over 275 brokers and generated approximately $135 million in revenues in 2013. Accordingly, we have greatly broadened the scope and depth of services we can provide to our clients in Northern California and across the U.S.

On February 26, 2015, we announced the successful completion of our tender offer for the majority of GFI Group, Inc.'s outstanding common shares. GFI is a leading intermediary in the global OTC and Listed markets, offering an array of sophisticated trading technologies and products and generated over $880 million in revenues in 2014, which included revenues from their Trayport and Kyte businesses, which have since been sold. The acquisition of GFI represented the largest acquisition in our history. On January 12, 2016, we completed the merger with GFI by acquiring the approximately 33% of the remaining shares of GFI. This combination dramatically increases the scale and scope of the Company and the combined company is now the largest interdealer-broker and wholesale financial broker in the industry.

In March 2015, GFI completed its previously announced sale of all the equity interests of The Kyte Group Limited which primarily included the Company's clearing business. In May 2015, GFI completed its previously announced sale of all the equity interests of Kyte Broking Limited.

In addition, on December 11, 2015, we completed the sale of all of the equity interests in the entities that make up the Trayport business to ICE. The Trayport transaction occurred pursuant to a Stock Purchase Agreement, dated as of November 15, 2015. At the closing, we received 2,527,658 shares of ICE common stock issued with respect to the $650 million purchase price, which was adjusted at closing.

On May 20, 2015, we completed the acquisition of CFI, a premier real estate strategic consulting and systems integration firm that manages over three billion square feet globally for Fortune 500 companies, owner-occupiers, government agencies, healthcare and higher education clients. CFI provides corporate real estate, facilities management, and enterprise asset management information consulting and technology solutions that yield hundreds of millions of dollars in cost-savings for its client base on an annual basis. The acquisition is expected to complement and drive future growth opportunities within NGKF's Management Services business and within CFI's extensive client base.

On July 1, 2015, we completed the acquisition of Excess Space. Excess Space is a premier consulting and advisory firm dedicated to real estate disposition and lease restructuring for retailers throughout the US and Canada. It advises some of the nation's leading supermarkets, department stores, banks, drug stores and restaurants. Since its establishment in 1992, Excess Space has generated an estimated $4 billion in cost savings for clients. We are confident that the acquisition of Excess Space will enhance our business, strengthen the services within our global retail platform, and bring value to our clients.

On December 11, 2015, we completed the acquisition of Steffner Commercial Real Estate, which operates as Newmark Grubb Memphis, a full-service commercial real estate advisory practice in the metropolitan Memphis, Tennessee region. This acquisition represented the cornerstone in our plan to grow our presence across the Mid-South region, which includes Alabama, Arkansas, Kentucky, Louisiana, Mississippi, and Tennessee.

On December 28, 2015, we completed the acquisition of Cincinnati Commercial Real Estate, Inc. (“CCR”), which is headquartered in Cincinnati, Ohio. CCR has a deep and successful track record in office, industrial and retail leasing and investment sales, representing a diversified client base that ranges from top Fortune 500 companies and institutions to privately owned firms. The acquisition bolsters our presence in the Midwest and will help drive growth opportunities for the firm’s existing Midwest operations.

Financial Overview

Revenues

Our revenues are derived primarily from brokerage commissions charged for either agency or matched principal transactions, revenues from real estate management services, fees from related parties, fees charged for market data, analytics and post-trade products, fees from software solutions, and interest income.

Brokerage

We earn revenues from our voice brokerage services on both an agency and matched principal basis. In agency transactions, we charge a commission for connecting buyers and sellers and assisting in the negotiation of the price and other material terms of the transaction. After all material terms of a transaction are agreed upon, we identify the buyer and seller to each other and leave them to settle the trade directly. Principal transaction revenues are primarily derived from matched principal transactions, whereby revenues are earned on the spread between the buy and the sell price of the brokered security, commodity or derivative. Customers either see the buy or sell price on a screen or are given this information over the phone. The brokerage fee is then added to the buy or sell price, which represents the spread we earn as principal transactions revenues. On a limited basis, we enter into unmatched principal transactions to facilitate a customer’s execution needs for transactions initiated by such customers. We also provide market data products for selected financial institutions.

We offer our brokerage services in seven broad product categories: rates, credit, FX, energy & commodities, equities and other asset classes, leasing and other services, and real estate capital markets. The chart below details brokerage revenues by product category and by voice/hybrid versus fully electronic (in thousands):

	For the Year Ended December 31,		
	2015	2014	2013
Brokerage revenue by product: [1]			
Rates	$ 468,536	$ 401,602	$ 491,740
Credit	273,287	225,854	244,546
Foreign exchange	310,643	215,168	212,120
Energy & Commodities	198,272	55,788	31,432
Equities and other asset classes	187,654	120,504	119,296
Leasing and other services	539,727	417,777	338,558
Real estate capital markets	269,151	125,170	74,460
Total brokerage revenues	$2,247,270	$1,561,863	$1,512,152
Brokerage revenue by product (percentage):			
Rates	20.8%	25.7%	32.5%
Credit	12.2	14.5	16.2
Foreign exchange	13.8	13.8	14.0
Energy & Commodities	8.8	3.6	2.1
Equities and other asset classes	8.4	7.7	7.9
Leasing and other services	24.0	26.7	22.4
Real estate capital markets	12.0	8.0	4.9
Total brokerage revenues	100.0%	100.0%	100.0%
Brokerage revenue by type:			
Real estate	$ 808,878	$ 542,947	$ 413,018
Financial Services voice/hybrid	1,287,826	929,394	993,986
Financial Services fully electronic	150,566	89,522	105,148
Total brokerage revenues	$2,247,270	$1,561,863	$1,512,152
Brokerage revenue by type (percentage):			
Real estate	36.0%	34.8%	27.3%
Financial Services voice/hybrid	57.3	59.5	65.7
Financial Services fully electronic	6.7	5.7	7.0
Total brokerage revenues	100.0%	100.0%	100.0%

1 Reclassifications of revenues across product categories may be reflected retroactively.

As the above table indicates, our brokerage operations in the rates product category produce a significant percentage of our total brokerage revenues. We expect that revenues from our rates product brokerage operations will increase in absolute terms, but decline as a percentage of revenues as we continue to invest in expanding in other asset classes. These factors have enabled us to provide our client base with robust services across global markets.

Our position as a leading wholesale financial broker is enhanced by our hybrid brokerage platform. We believe that the more complex, less liquid markets on which we focus often require significant amounts of personal and attentive service from our brokers. In more mature markets, we offer fully electronic trading capabilities to our customers through our platforms including FENICS and BGC Trader. Our hybrid platform allows our customers to trade on a voice, hybrid or, where available, fully electronic basis, regardless of whether the trade is OTC or exchange-based, and to benefit from the experience and market intelligence of our worldwide brokerage network. Our electronic capabilities include clearing, settlement, post-trade, and other back-office services as well as straight-through processing for our customers across several products. Furthermore, we benefit from the operational leverage in our fully electronic platform. We believe our hybrid brokerage approach provides a competitive advantage over competitors who do not offer this full range of technology.

Rates

Our rates business is focused on government debt, futures and currency, and both listed and OTC interest rate derivatives, which are among the largest, most global and most actively traded markets. The main drivers of these markets are global macroeconomic forces such as growth, inflation, government budget policies and new issuance.

Credit

We provide our brokerage services in a wide range of credit instruments, including asset-backed securities, convertible bonds, corporate bonds, credit derivatives and high yield bonds.

Foreign Exchange

The foreign exchange market is one of the largest financial markets in the world. Foreign exchange transactions can either be undertaken in the spot market, in which one currency is sold and another is bought, or in the derivative market in which future settlement of the identical underlying currencies are traded. We provide full execution OTC brokerage services in most major currencies, including all G8 currencies, emerging market, cross and exotic options currencies.

Energy & Commodities

We provide brokerage services for most widely traded energy and commodities products, including futures and OTC products covering, refined and crude oil, liquid natural gas, coal, electricity, gold and other precious metals, base metals, emissions, and soft commodities.

Equities and Other Asset Classes

We provide brokerage services in a range of markets for equity products, including cash equities, equity derivatives (both listed and OTC), equity index futures and options on equity products.

Leasing and Other Services

We offer a diverse range of commercial real estate brokerage and advisory services, including tenant and agency representation, which includes comprehensive lease negotiations, strategic planning, site selection, lease auditing, appraisal services and other financial and market analysis.

Real Estate Capital Markets

Our real estate capital markets business specializes in the arrangement of acquisitions and dispositions of commercial properties, as well as providing other financial services including the arrangement of debt and equity financing, and loan sale advisory.

Real Estate Management Services

We provide commercial property management services to tenants and landlords in several key U.S. markets. In this business, we provide property and facilities management services along with project management and other consulting services to customers who utilize our commercial real estate brokerage services and other property owners.

Fees from Related Parties

We earn fees from related parties for technology services and software licenses and for certain administrative and back-office services we provide to affiliates, particularly from Cantor. These administrative and back-office services include office space, utilization of fixed assets, accounting services, operational support, human resources, legal services and information technology.

Market Data and Software Solutions

BGC Market Data is a supplier of real-time, tradable, indicative, end-of-day and historical market data. Our market data product suite includes fixed income, interest rate derivatives, credit derivatives, foreign exchange, foreign exchange options, money markets, energy and equity derivatives and structured market data products and services. It is made available to financial professionals, research analysts and other market participants via direct data feeds and BGC-hosted FTP environments, as well as via information vendors such as Bloomberg, Thomson Reuters, Interactive Data Corporation and other select specialist vendors.

Through our software solutions business, we provide customized software to broaden distribution capabilities and provide electronic solutions to financial market participants. The software solutions business leverages our global infrastructure, software, systems, portfolio of intellectual property, and electronic trading expertise to provide customers with electronic marketplaces and exchanges and real-time auctions to enhance debt issuance and to customize trading interfaces. We take advantage of the scalability, flexibility and functionality of our electronic trading system to enable our customers to distribute products to their customers through online offerings and auctions, including private and reverse auctions, via our trading platform and global network. Using screen-based market solutions, customers are able to develop a marketplace, trade with their customers, issue debt, trade odd lots, access program trading interfaces and access our network and intellectual property. We provide option pricing and analysis tools that deliver price discovery that is supported with market data sourced from both our BGC and GFI trading systems.

Interest Income

We generate interest income primarily from the investment of our daily cash balances, interest earned on securities owned and reverse repurchase agreements. These investments and transactions are generally short-term in nature.

Other Revenues

We earn other revenues from various sources including underwriting fees and litigation settlements.

Expenses

Compensation and Employee Benefits

The majority of our operating costs consist of cash and non-cash compensation expenses, which include base salaries, broker bonuses based on broker production, guaranteed bonuses, other discretionary bonuses, and all related employee benefits and taxes. Our employees consist of brokers, executives and other administrative support. The majority of our brokers receive a base salary and a formula bonus based primarily on a pool of brokers' production for a particular product or sales desk, as well as on the individual broker's performance. Members of our sales force receive either a base salary or a draw on commissions. Less experienced salespeople typically receive base salaries and bonuses.

As part of our compensation plans certain employees are granted limited partnership units in BGC Holdings which generally receive quarterly allocations of net income, that are cash distributed on a quarterly basis and generally contingent upon services being provided by the unit holders. As prescribed in FASB guidance, the quarterly allocations of net income on such limited partnership units are reflected as a component of compensation expense under "Allocation of net income and grant of exchangeability to limited partnership units and FPUs" in our consolidated statements of operations.

Certain of these limited partnership units entitle the holders to receive post-termination payments equal to the notional amount in four equal yearly installments after the holder's termination. These limited partnership units are accounted for as post-termination liability awards under FASB guidance, which requires that we record an expense for such awards based on the change in value at each reporting period and include the expense in our consolidated statements of operations as part of "Compensation and employee benefits." The liability for limited partnership units with a post-termination payout amount is included in "Accrued compensation" on our consolidated statements of financial condition.

Certain limited partnership units are granted exchangeability into Class A common stock on a one-for-one basis (subject to adjustment). At the time exchangeability is granted, the Company recognizes an expense based on the fair value of the award on that date, which is included in "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in our consolidated statements of operations.

We have also awarded Preferred Units. Each quarter, the net profits of BGC Holdings are allocated to such units at a rate of either 0.6875% (which is 2.75% per calendar year) or such other amount as set forth in the award documentation (the "Preferred Distribution"), which is deducted before the calculation and distribution of the quarterly partnership distribution for the remaining partnership units. The Preferred Units are not entitled to participate in partnership distributions other than with respect to the Preferred Distribution. Preferred Units may not be made exchangeable into our Class A common stock and are only entitled to the Preferred Distribution, and accordingly they are not included in our fully diluted share count. The quarterly allocations of net income on Preferred Units are reflected in compensation expense under "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in our consolidated statements of operations.

We have entered into various agreements with certain of our employees and partners whereby these individuals receive loans which may be either wholly or in part repaid from the distribution earnings that the individual receives on their limited partnership interests or may be forgiven over a period of time. The forgivable portion of these loans is recognized as compensation expense over the life of the loan. From time to time, we may also enter into agreements with employees and partners to grant bonus and salary advances or other types of loans. These advances and loans are repayable in the timeframes outlined in the underlying agreements.

In addition, we also enter into deferred compensation agreements with employees providing services to us. The costs associated with such plans are generally amortized over the period in which they vest. See Note 19—"Compensation" to our consolidated financial statements.

Other Operating Expenses

We have various other operating expenses. We incur leasing, equipment and maintenance expenses for our affiliates worldwide. We also incur selling and promotion expenses, which include entertainment, marketing and travel-related expenses. We incur communication expenses for voice and data connections with our clients, clearing agents and general usage; professional and consulting fees for legal, audit and other special projects; and interest expense related to short-term operational funding needs, and notes payable and collateralized borrowings.

Primarily in the U.S., we pay fees to Cantor for performing certain administrative and other support, including charges for occupancy of office space, utilization of fixed assets and accounting, operations, human resources, legal services and technology infrastructure support. Management believes that these charges are a reasonable reflection of the utilization of services rendered. However, the expenses for these services are not necessarily indicative of the expenses that would have been incurred if we had not obtained these services from Cantor. In addition, these charges may not reflect the costs of services we may receive from Cantor in the future. We incur commissions and floor brokerage fees for clearing, brokerage and other transactional expenses for clearing and settlement services. We also incur various other normal operating expenses.

Other Income (Losses), Net

Gain on Divestiture and Sale of Investments

On December 11, 2015, we completed the sale of the Trayport Business to ICE. On June 28, 2013, we sold our eSpeed business to NASDAQ. The gains from these transactions are included in "Gain on divestiture and sale of investments," in our consolidated statements of operations for the year ended December 31, 2015 and 2013, respectively.

Gains (Losses) on Equity Method Investments

Gains (losses) on equity method investments represent our pro rata share of the net gains (losses) on investments over which we have significant influence but do not control.

Other Income

Other income is comprised of the gains associated with the earn-out shares, related to the NASDAQ Transaction, and the movements related to the mark-to-market and/or hedges on marketable securities that are classified as trading securities.

Provision for Income Taxes

We incur income tax expenses based on the location, legal structure and jurisdictional taxing authorities of each of our subsidiaries. Certain of the Company's entities are taxed as U.S. partnerships and are subject to the Unincorporated Business Tax ("UBT") in New York City. U.S. federal and state income tax liability or benefit related to the partnership income or loss, with the exception of UBT, rests with the partners (see Note 2—"Limited Partnership Interests in BGC Holdings" for discussion of partnership interests) rather than the partnership entity. The Company's consolidated financial statements include U.S. federal, state and local income taxes on the Company's allocable share of the U.S. results of operations. Outside of the U.S. we operate principally through subsidiary corporations subject to local income taxes.

FINANCIAL HIGHLIGHTS

For the year ended December 31, 2015, we had income from operations before income taxes of $388.8 million compared to a loss from operations before income taxes of $3.2 million in the year earlier period. Our results include the results of GFI beginning in the first quarter of 2015. Total revenues for the year ended December 31, 2015 increased approximately $787.9 million to $2,575.4 million primarily due to a $685.4 million increase in brokerage revenues. This significant improvement was driven by the addition of GFI, the ongoing success of NGKF, our Real Estate Services segment and the continued strong double digit growth of our high margin FENICS fully electronic businesses. Total expenses increased approximately $874.5 million to $2,706.0 million primarily due to a $696.9 million increase in total compensation and employee benefits. Also contributing to the increase was a $177.6 million increase in total non-compensation expenses. The absolute increase in expenses was primarily due to the impact of acquisitions. While the front-office operations of GFI and BGC will remain separately branded, we have already begun integrating the support functions, technology, and infrastructure of these two companies. We met our target of reducing Financial Services annualized expenses by at least $50 million by the first quarter of 2016. We had previously expected a minimum of $40 million in further annualized cost savings by the first quarter of 2017, for a total of at least $90 million in annual savings. We now anticipate achieving a minimum of $100 million in annual savings by the end of 2016. The improvement to our pre-tax profitability we expect to achieve with the $100 million in annualized cost savings will be at least 25 percent higher than the full year revenues of Trayport. This excludes the impact of any potential future acquisitions or net increase in headcount due to hires made going forward. We also expect to increase productivity per broker and to continue converting voice and hybrid broking to higher margin fully electronic trading, all of which should lead to increased revenues and profitability. By freeing up duplicative capital set aside for regulatory and clearing purposes in connection with the GFI integration, we will also be able to use our balance sheet more efficiently.

On December 11, 2015, we completed the sale of all of the equity interests in the entities that make up the Trayport business to ICE. At the closing, we received 2,527,658 shares of ICE common stock issued with respect to the $650 million purchase price, which was adjusted at closing. Trayport, prior to its sale, had generated revenues of approximately $80 million over the twelve months ended September 30, 2015. During December 2015, we recorded an approximately $407 million gain, net of fees, related to the sale of Trayport and the net realized and unrealized gains on the ICE shares. Offsetting this gain were approximately $187 million of expenses related to non-cash and/or non-dilutive charges, aside from those that might have been expected as part of the Company’s ordinary operating business. Taking these items together resulted in an approximately $220 million net gain. We expect our results to further improve as we invest the net proceeds from the $650 million Trayport sale.

Our Real Estate Services business (“NGKF”) once again had a very strong year, as the NGKF brokerage revenues increased by approximately 48.7%. This significant improvement included an approximately 115.0% increase in revenues from our higher margin real estate capital markets business, 28.9% growth from leasing and other services and 14.6% growth from largely recurring management services fees. This impressive outperformance was driven in part by the additions of Cornish & Carey, ARA, Computerized Facility Integration, and Excess Space. In addition, our Real Estate Services business generated strong organic growth as we continued to add dozens of high profile and talented brokers and other professionals, won new business, and were aided by solid commercial real estate market fundamentals. NGKF’s revenues have grown at a compounded annual rate of approximately 32% over the last two years ended December 31, 2015. Given our strong momentum, we expect NGKF to generate top-line growth of approximately 20 percent for year 2016.

We believe that BGC’s assets and businesses are independently worth significantly more than what is reflected in our current stock price. Based on recent equity market and M&A multiples, we think that the market is undervaluing both NGKF and FENICS. We also believe that the market has yet to properly value the more than $760 million in additional NASDAQ stock (based on the February 25, 2016 closing price) we anticipate receiving over time, which is not reflected on our balance sheet. Although no decisions have been made, we are considering a number of options designed to unlock substantial amounts of shareholder value. We also expect our earnings to continue to grow as we increase the profitability of GFI, add revenues from our highly profitable fully electronic products, and benefit from the strength of our Real Estate Services business. We anticipate having substantial resources with which to pay dividends, repurchase shares and/or units of BGC, profitably hire, and make accretive acquisitions, all while maintaining or improving our investment grade rating.

RESULTS OF OPERATIONS

The following table sets forth our consolidated statements of operations data expressed as a percentage of total revenues for the periods indicated (in thousands):

	Year Ended December 31,					
	2015		2014		2013	
	Actual Results	Percentage of Total Revenues	Actual Results	Percentage of Total Revenues	Actual Results	Percentage of Total Revenues
Revenues:						
Commissions	$1,934,128	75.1%	$1,307,912	73.2%	$1,202,244	68.9%
Principal transactions	313,142	12.2	253,951	14.2	309,908	17.8
Total brokerage revenues	2,247,270	87.3	1,561,863	87.4	1,512,152	86.7
Real estate management services	187,118	7.3	163,227	9.1	163,353	9.4
Fees from related parties	25,348	1.0	28,379	1.6	41,128	2.3
Market data and software solutions	95,101	3.7	9,477	0.5	16,338	0.9
Interest income	10,643	0.4	7,312	0.4	6,833	0.4
Other revenues	9,957	0.3	17,232	1.0	5,177	0.3
Total revenues	2,575,437	100.0	1,787,490	100.0	1,744,981	100.0
Expenses:						
Compensation and employee benefits	1,694,956	65.8	1,121,075	62.7	1,255,580	72.0
Allocation of net income and grant of exchangeability to limited partnership units and FPUs	259,639	10.1	136,633	7.7	423,589	24.3
Total compensation and employee benefits	1,954,595	75.9	1,257,708	70.4	1,679,169	96.3
Occupancy and equipment	211,717	8.2	147,435	8.3	154,108	8.8
Fees to related parties	18,043	0.7	12,137	0.7	9,443	0.5
Professional and consulting fees	62,768	2.4	51,823	2.9	51,384	2.9
Communications	119,181	4.6	82,493	4.6	92,022	5.3
Selling and promotion	97,201	3.8	71,737	4.0	81,007	4.6
Commissions and floor brokerage	35,094	1.4	19,349	1.1	22,530	1.3
Interest expense	69,359	2.7	37,945	2.1	38,332	2.2
Other expenses	138,043	5.4	150,857	8.4	104,170	6.0
Total expenses	2,706,001	105.1	1,831,484	102.5	2,232,165	127.9
Other income (losses), net:						
Gain on divestiture and sale of investments	394,347	15.3	—	—	723,147	41.4
Gains (losses) on equity method investments	1,863	0.1	(8,621)	(0.5)	(9,508)	(0.5)
Other income	123,168	4.8	49,427	2.8	39,466	2.3
Total other income (losses), net	519,378	20.2	40,806	2.3	753,105	43.2
Income (loss) from operations before income taxes	388,814	15.1	(3,188)	(0.2)	265,921	15.3
Provision for income taxes	120,496	4.7	651	0.0	92,166	5.3
Consolidated net income (loss)	268,318	10.4	(3,839)	(0.2)	173,755	10.0
Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	141,530	5.5	(7,974)	(0.4)	102,831	5.9
Net income available to common stockholders	$ 126,788	4.9%	$ 4,135	0.2%	$ 70,924	4.1%

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Revenues

Brokerage Revenues

Total brokerage revenues increased by $685.4 million, or 43.9%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. Commission revenues increased by $626.2 million, or 47.9%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. Principal transactions revenues increased by $59.2 million, or 23.3%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014.

The increase in brokerage revenues was primarily driven by the addition of GFI, the ongoing success of NGKF, our Real Estate Services segment and the continued strong double digit growth of our high margin FENICS fully electronic businesses.

The increase in rates revenues of $66.9 million was primarily due to the acquisition of GFI.

Our fully electronic credit revenues increased by $29.9 million as compared to the year ended December 31, 2014, and our overall credit revenues increased by 21.0% to $273.3 million in the year ended December 31, 2015. This increase was mainly due to our acquisition of GFI.

Our FX revenues were up by 44.4% to $310.6 million for the year ended December 31, 2015. This increase was primarily driven by growth across our voice, hybrid, and fully electronic desks most notably in our e-brokered foreign exchange spot and derivative products. Our acquisitions of GFI and R.P. Martin also contributed to the increase.

Our brokerage revenues from energy and commodities increased $142.5 million, or 255.4%, to $198.3 million for the year ended December 31, 2015. This increase was primarily driven by our acquisition of GFI and organic growth.

Our brokerage revenues from equities and other asset classes increased $67.2 million, or 55.7%, to $187.7 million for the year ended December 31, 2015. This increase was primarily driven by our acquisition of GFI.

Total Real Estate brokerage revenues increased by $265.0 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. This increase was primarily driven by the additions of Cornish & Carey, ARA, and Excess Space. In addition, our Real Estate Services business generated strong double-digit organic growth.

Leasing and other services revenues increased by $121.0 million, or 28.9%, to $539.7 million for the year ended December 31, 2015 as compared to the prior year period. This increase was primarily driven by strong commercial real estate market fundamentals.

Real estate capital markets revenues increased by $144.0 million, or 115.0%, to $269.2 million for the year ended December 31, 2015 as compared to the prior year period. This increase was primarily driven by the acquisition of ARA.

Real Estate Management Services

Real estate management services revenue increased $23.9 million for the year ended December 31, 2015. This increase was primarily driven by our acquisition of CFI.

Fees from Related Parties

Fees from related parties decreased by $3.0 million, or 10.7%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014.

Market Data and Software Solutions

Market data and software solutions revenues increased by $85.6 million, or 903.5%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase was primarily driven by our acquisition of GFI.

Interest Income

Interest income increased by $3.3 million, or 45.6%, to $10.6 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014.

Other Revenues

Other revenues decreased by $7.3 million to $10.0 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The decrease was primarily due to a settlement related to litigation received during the year ended December 31, 2014.

Expenses

Compensation and Employee Benefits

Compensation and employee benefits expense increased by $573.9 million, or 51.2%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The main driver of this increase was the increased level of brokerage revenues particularly related to the GFI acquisition and our Real Estate Services business as well as a reserve on employee loans.

Allocations of Net Income and Grant of Exchangeability to Limited Partnership Units and FPUs

The Allocations of net income and grant of exchangeability to limited partnership units and FPUs increased by $123.0 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. This increase was primarily driven by an increase in charges related to grants of exchangeability to limited partnership units during the year as compared to the year ended December 31, 2014.

Occupancy and Equipment

Occupancy and equipment expense increased $64.3 million to $211.7 million for the year ended December 31, 2015, as compared to the year ended December 31, 2014. This increase was primarily driven by the acquisition of GFI in our Financial Services segment and the acquisitions of Cornish & Carey and ARA in our Real Estate Services segment.

Fees to Related Parties

Fees to related parties increased by $5.9 million, or 48.7%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. Fees to related parties are allocations paid to Cantor for administrative and support services.

Professional and Consulting Fees

Professional and consulting fees increased by $10.9 million, or 21.1%, to $62.8 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase was primarily driven by the acquisition of GFI.

Communications

Communications expense increased by $36.7 million, or 44.5%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. This increase was primarily driven by the acquisition of GFI. As a percentage of total revenues, communications remained relatively unchanged across the two periods.

Selling and Promotion

Selling and promotion expense increased by $25.5 million, or 35.5%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase was primarily due to the acquisition of GFI.

Commissions and Floor Brokerage

Commissions and floor brokerage expense increased by $15.7 million, or 81.4%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014, primarily due to the acquisition of GFI.

Interest Expense

Interest expense increased by $31.4 million, or 82.8%, to $69.4 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase was primarily driven by the interest expense associated with our 5.375% Senior Notes issued in December 2014, and the 8.375% Senior Notes acquired in the GFI acquisition in February 2015, partially offset by the maturity of the 8.75% Convertible Senior Notes on April 15, 2015.

Other Expenses

Other expenses decreased by $12.8 million, or 8.5%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014, primarily related to a decrease in litigation settlements, partially offset by an increase in commitments to make charitable contributions.

Other Income (Losses), net

Gain on Divestiture and Sale of Investments

The gain on divestiture and sale of investments is related to the disposition of all the equity interests that made up the Trayport business, which was completed on December 11, 2015.

Gains (Losses) on Equity Method Investments

Gains (losses) on equity method investments increased by $10.5 million, to a gain of $1.9 million, for the year ended December 31, 2015 as compared to a loss of $8.6 million for the year ended December 31, 2014. Gains (losses) on equity method investments represent our pro rata share of the net gains or losses on investments over which we have significant influence but do not control.

Other Income

Other income increased $73.7 million, or 149.2%, to $123.2 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. This increase was primarily driven by the recognition of the NASDAQ transaction earn out and the related mark-to-market movements and/or hedging associated with the NASDAQ and ICE shares as well as a $29.0 million gain with respect to appreciation on the 17.1 million shares of GFI common stock held by the Company prior to the successful completion of our tender offer.

Provision for Income Taxes

Provision for income taxes increased $119.8 million to $120.5 million for the year ended December 31, 2015 as compared to the year ended December 31, 2014. This increase was primarily driven by the increase in pretax earnings. Our consolidated effective tax rate can vary from period to period depending on, among other factors, the geographic and business mix of our earnings.

Net Income (Loss) Attributable to Noncontrolling Interest in Subsidiaries

Net income (loss) attributable to noncontrolling interest in subsidiaries increased by $149.5 million, to $141.5 million, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. This increase was due to the increase in allocation of net income to Cantor units in the year ended December 31, 2015. Also contributing to this increase was the allocation of GFI income to noncontrolling interests.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Revenues

Brokerage Revenues

Total brokerage revenues increased by $49.7 million, or 3.3%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. Commission revenues increased by $105.7 million, or 8.8%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. Principal transactions revenues decreased by $56.0 million, or 18.1%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013.

The increase in brokerage revenues was primarily driven by increases in leasing and other services, real estate capital markets, energy & commodities and FX, partially offset by decreases in rates and credit products.

The decrease in rates revenues of $90.1 million was primarily due to the sale of the eSpeed business in June 2013 and lower global interest rate activity during the year ended December 31, 2014.

Our fully electronic credit revenues increased by $10.4 million as compared to the year ended December 31, 2013; however, our overall credit revenues declined by 7.6% to $225.9 million in the year ended December 31, 2014. This decrease was mainly due to lower overall industry-wide inter-dealer activity in credit derivatives, investment-grade corporate bonds, and non-agency mortgage bonds.

Our FX revenues were up by 1.4% to $215.2 million for the year ended December 31, 2014. This increase was primarily driven by growth across our voice, hybrid, and fully electronic desks most notably in our e-brokered foreign exchange spot and derivative products.

Our energy & commodities revenues increased $24.4 million, or 7.7%, to $55.8 million for the year ended December 31, 2014, due to organic growth and acquisitions.

Our brokerage revenues from equities and other asset classes increased $1.2 million, or 1.0%, to $120.5 million for the year ended December 31, 2014.

Total Real Estate brokerage revenues increased by $129.9 million for the year ended December 31, 2014. This increase was primarily driven by acquisitions as well as organic growth.

Leasing and other services revenues increased by $79.2 million, or 23.4%, to $417.8 million for the year ended December 31, 2014 as compared to the prior year period. This increase was driven primarily by acquisitions and organic growth.

Real estate capital markets revenues increased by $50.7 million or 68.1%, to $125.2 million for the year ended December 31, 2014 as compared to the prior year period. This increase was driven primarily by acquisitions and organic growth.

Real Estate Management Services

Real estate management services revenue was relatively flat at $163.2 million for the year ended December 31, 2014.

Fees from Related Parties

Fees from related parties decreased by $12.8 million, or 31.0%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. The decrease was primarily due to decreased revenues related to ELX (as a result of the sale of the eSpeed business) and lower technology service fees.

Market Data and Software Solutions

Market data and software solutions revenues decreased by $6.9 million, or 42.2%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. The decrease was primarily due to the sale of the eSpeed business and the Kleos Managed Services, Dedicated Network Access and Disaster Recovery business to NASDAQ in June 2013.

Interest Income

Interest income increased by $0.5 million, or 7.0%, to $7.3 million for the year ended December 31, 2014 as compared to the year ended December 31, 2013.

Other Revenues

Other revenues increased by $12.1 million to $17.2 million for the year ended December 31, 2014 as compared to the year ended December 31, 2013. The increase was primarily due to a settlement related to litigation received during the year ended December 31, 2014.

Expenses

Compensation and Employee Benefits

Compensation and employee benefits expense decreased by $134.5 million, or 10.7%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. The main driver of this decrease was a charge of $160.5 million taken during the year ended December 31, 2013 related to the reduction of compensation-related partnership loans in connection with our Global Partnership Restructuring Program. The decrease was partially offset by increased compensation expense associated with higher brokerage revenues during the year ended December 31, 2014.

Allocations of Net Income and Grant of Exchangeability to Limited Partnership Units and FPUs

The Allocations of net income and grant of exchangeability to limited partnership units and FPUs decreased by $287.0 million for the year ended December 31, 2014 as compared to the year ended December 31, 2013. This decrease was primarily driven by a $304.1 million charge taken in the year ended December 31, 2013 related to the redemption/exchange of limited partnership units in connection with our Global Partnership Restructuring Program.

Occupancy and Equipment

Occupancy and equipment expense decreased $6.7 million to $147.4 million for the year ended December 31, 2014, as compared to the year ended December 31, 2013. This decrease was primarily driven by lower depreciation and amortization costs as well as lower hardware maintenance costs following the sale of our eSpeed business in June 2013.

Fees to Related Parties

Fees to related parties increased by $2.7 million, or 28.5%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. Fees to related parties are allocations paid to Cantor for administrative and support services.

Professional and Consulting Fees

Professional and consulting fees were relatively flat at $51.8 million for the year ended December 31, 2014 as compared to $51.4 for the year ended December 31, 2013.

Communications

Communications expense decreased by $9.5 million, or 10.4%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. This decrease was primarily driven by our ongoing cost reduction program which rationalized and lowered the costs of certain market data terminals.

Selling and Promotion

Selling and promotion expense decreased by $9.3 million, or 11.4%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. The decrease was partially due to lower client entertainment expenses and partially due to our ongoing cost reduction program.

Commissions and Floor Brokerage

Commissions and floor brokerage expense decreased by $3.2 million, or 14.1%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013, primarily due to reduced clearing and transfer costs due to the sale of the eSpeed business to NASDAQ in June 2013.

Interest Expense

Interest expense was relatively flat at $37.9 million for the year ended December 31, 2014 as compared to $38.3 million for the year ended December 31, 2013. The slight decrease was primarily related to our prepayment of collateralized debt during 2013 partially offset by the interest expense associated with our 5.375% Senior Notes issued in December 2014.

Other Expenses

Other expenses increased by $46.7 million, or 44.8%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. This increase was primarily driven by charges taken during the year ended December 31, 2014 related to the cost of hiring additional brokers and litigation settlements, partially offset by charges taken during the year ended December 31, 2013 related to a commitment to make charitable contributions.

Other Income (Losses), net

Gain on Divestiture and Sale of Investments

The gain on divestiture related to the NASDAQ Transaction was $723.1 million recorded in the year ended December 31, 2013.

Gains (Losses) on Equity Method Investments

Gains (losses) on equity method investments decreased by $0.9 million, or 9.3%, for the year ended December 31, 2014 as compared to the year ended December 31, 2013. Gains (losses) on equity method investments represent our pro rata share of the net gains (losses) on investments over which we have significant influence but do not control.

Other Income

Other income increased $10.0 million, or 25.2%, for the year ended December 31, 2014 as compared to the year earlier period. This increase was due to the $52.8 million recognized on the earn-out related to the NASDAQ Transaction and the associated mark-to-market movements and/or hedging in the year ended December 31, 2014. During the year ended December 31, 2013, we recognized $39.5 million on the earn-out related to the NASDAQ Transaction. In both periods we received 992,247 shares of NASDAQ stock. The increased income was driven by the year-over-year increase in the share price.

Provision for Income Taxes

Provision for income taxes decreased $91.5 million to $0.7 million for the year ended December 31, 2014 as compared to the year earlier period. This decrease was primarily driven by a decrease in taxable income in the year ended December 31, 2014 as compared to the year earlier period, as the year ended December 31, 2013 included the gain on divestiture related to sale of eSpeed. Our consolidated effective tax rate can vary from period to period depending on, among other factors, the geographic and business mix of our earnings.

Net Income Attributable to Noncontrolling Interest in Subsidiaries

Net income attributable to noncontrolling interest in subsidiaries decreased by $110.8 million, to a loss of 8.0 million, for the year ended December 31, 2014 as compared to income of $102.8 million the year ended December 31, 2013. This decrease was due to lower income during the year ended December 31, 2014 as the year earlier period included the gain on divestiture related to the sale of eSpeed.

Business Segment Financial Results

The business segments are determined based on the products and services provided and reflect the manner in which financial information is evaluated by management. We evaluate the performance and review the results of the segments based on each segment's "Income (loss) from operations before income taxes."

Certain financial information for our segments is presented below. The amounts shown below for the Financial Services and Real Estate Services segments reflect the amounts that are used by management to allocate resources and assess performance, which is based on each segment's "Income (loss) from operations before income taxes." In addition to the two business segments, the tables below include a "Corporate Items" category. Corporate revenues include fees from related parties and interest income as well as gains that are not considered part of the Company's ordinary, ongoing business. Corporate expenses include non-cash compensation expenses (such as the grant of exchangeability to limited partnership units; redemption/exchange of partnership units, issuance of restricted shares and allocations of net income to founding/working partner units and limited partnership units) as well as unallocated expenses such as certain professional and consulting fees, executive compensation and interest expense, which are managed separately at the corporate level.

Year ended December 31, 2015 (in thousands):

	Financial Services [1]	Real Estate Services [1]	Corporate Items	Total
Total revenues	$1,543,156	$ 998,450	$ 33,831	$2,575,437
Total expenses	1,317,369	868,664	519,968	2,706,001
Total other income (losses), net	68,033	—	451,345	519,378
Income (loss) from operations before income taxes	$ 293,820	$ 129,786	$ (34,792)	$ 388,814

1 For the year ended December 31, 2015, the Financial Services segment income (loss) from operations before income taxes includes $68.0 million related to the earn-out portion of the NASDAQ Transaction consideration and the associated mark-to-market movements and/or hedging. For the year ended December 31, 2015, the Real Estate Services segment income (loss) from operations before income taxes excludes $2.1 million related to the collection of receivables and associated expenses that were recognized at fair value as part of acquisition accounting.

Year ended December 31, 2014 (in thousands):

	Financial Services [1]	Real Estate Services [1]	Corporate Items	Total
Total revenues	$1,044,343	$ 708,793	$ 34,354	$1,787,490
Total expenses	863,834	639,657	327,993	1,831,484
Total other income (losses), net	52,769	—	(11,963)	40,806
Income (loss) from operations before income taxes	$ 233,278	$ 69,136	$(305,602)	$ (3,188)

1 For the year ended December 31, 2014, the Financial Services segment income (loss) from operations before income taxes includes $52.8 million related to the earn-out portion of the NASDAQ Transaction consideration and the associated mark-to-market movements and/or hedging. For the year ended December 31, 2014, the Real Estate Services segment income (loss) from operations before income taxes excludes $9.6 million related to the collection of receivables and associated expenses that were recognized at fair value as part of acquisition accounting.

Year ended December 31, 2013 (in thousands):

	Financial Services [1]	Real Estate Services [1]	Corporate Items	Total
Total revenues	$1,124,752	$ 577,191	$ 43,038	$1,744,981
Total expenses	960,636	531,620	739,909	2,232,165
Total other income (losses), net	39,466	—	713,639	753,105
Income (loss) from operations before income taxes	$ 203,582	$ 45,571	$ 16,768	$ 265,921

1 For the year ended December 31, 2013, the Financial Services segment revenues include $39.5 million related to the earn-out portion of the NASDAQ Transaction consideration and related hedging transactions. For the year ended December 31, 2013, the Real Estate Services segment income (loss) from operations before income taxes excludes $10.6 million related to the collection of receivables and associated expenses that were recognized at fair value as part of acquisition accounting. For the year ended December 31, 2013, Corporate Items income (loss) from operations before income taxes includes a $723.1 million gain on divestiture related to the sale of eSpeed and approximately $465 million in compensation expense related to the Global Partnership Restructuring Program.

Segment Results for the Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Revenues

- Revenues for Financial Services increased approximately $498.8 million, or 47.8%, to $1,543.2 million for year ended December 31, 2015 from $1,044.3 million for the year ended December 31, 2014. The increase in revenues for our Financial Services segment was primarily due to an increase in brokerage revenues in energy and commodities, foreign exchange, rates and credit, as well as an increase in equities and other asset classes, and an increase in market data and software solutions primarily driven by the acquisitions of GFI and R.P. Martin, as well as by organic growth from our desks in foreign exchange, energy and commodities.
- Revenues for Real Estate Services increased approximately $289.7 million, or 40.9%, to $998.5 million for the year ended December 31, 2015 from $708.8 million for the year ended December 31, 2014. The increase in revenues for our Real Estate Services segment was primarily due to the acquisitions of Cornish & Carey and ARA, and an increase in broker productivity along with favorable industry trends in sales and leasing for the U.S. commercial real estate market.

Expenses

- Total expenses for Financial Services increased approximately $453.5 million, or 52.5%, to $1,317.4 million for the year ended December 31, 2015 from $863.8 million for the year ended December 31, 2014. The increase in expenses for our Financial Services Segment was primarily due to the acquisition of GFI and R.P. Martin.

- Total expenses for Real Estate Services increased approximately $229.0 million, or 35.8%, to $868.7 million for the year ended December 31, 2015 from $639.7 million for the year ended December 31, 2014. The increase in expenses for our Real Estate Services segment was primarily due to increased compensation associated with acquisitions.
- Total expenses for the Corporate Items category increased approximately $192.0 million, or 58.5%, to $520.0 million for the year ended December 31, 2015 from $328.0 million for the year ended December 31, 2014. The increase in expenses for Corporate Items was primarily due to increases in charges related to grants of exchangeability to limited partnership units during the year as compared to the year ended December 31, 2014 as well as a reserve on employee loans and a commitment to make charitable contributions.

Other income (losses), net

- Other income (losses), net, for Financial Services increased approximately $15.3 million, or 28.9% to a gain of $68.0 million for the year ended December 31, 2015 from a gain of $52.8 million for the year ended December 31, 2014. The increase in other income (losses), net, for our Financial Services segment was primarily due to the earn-out portion and the related mark-to-market movements and/or hedging of the NASDAQ Transaction consideration.
- Other income (losses), net, for the Corporate Items category increased approximately $463.3 million to a gain of $451.3 million for the year ended December 31, 2015 from a loss of $12.0 million for the year ended December 31, 2014. The increase in other income (losses), net, for the Corporate Items category was primarily due to the disposition of all the equity interests that made up the Trayport business, which was completed on December 11, 2015.

Income from operations before income taxes

- Income from operations before income taxes for Financial Services increased approximately $60.5 million, or 26.0%, to $293.8 million for the year ended December 31, 2015 from $233.3 million for the year ended December 31, 2014. The increase in income from operations before income taxes for our Financial Services segment was primarily due to our acquisition of GFI.
- Income from operations before income taxes for Real Estate Services increased $60.7 million, or 87.7%, to $129.8 million for the year ended December 31, 2015 from $69.1 million for the year ended December 31, 2014. The increase in income from operations before income taxes for our Real Estate Services segment was due to our acquisitions of Cornish & Carey, ARA, CFI and Excess Space.

Segment Results for the Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Revenues

- Revenues for Financial Services decreased approximately $80.4 million, or 7.1%, to $1,044.3 million for year ended December 31, 2014 from $1,124.8 million for the year ended December 31, 2013. The decrease in revenues for our Financial Services segment was primarily due to a decline in brokerage revenues in rates (primarily due to the sale of eSpeed in June 2013) and credit, partially offset by an increase in equities and other asset classes and FX.
- Revenues for Real Estate Services increased approximately $131.6 million, or 22.8%, to $708.8 million for the year ended December 31, 2014 from $577.2 million for the year ended December 31, 2013. The increase in revenues for our Real Estate Services segment was primarily due to the acquisition of Cornish & Carey and a significant increase in broker productivity along with favorable industry trends in sales and leasing for the U.S. commercial real estate market.

Expenses

- Total expenses for Financial Services decreased approximately $96.8 million, or 10.1%, to $863.8 million for the year ended December 31, 2014 from $960.6 million for the year ended December 31, 2013. The decrease in expenses for our Financial Services Segment was primarily due to lower compensation related costs, due to lower revenues and our continued cost reduction program.
- Total expenses for Real Estate Services increased approximately $108.0 million, or 20.3%, to $639.7 million for the year ended December 31, 2014 from $531.6 million for the year ended December 31, 2013. The increase in expenses for our Real Estate Services segment was primarily due to increased compensation associated with higher revenues.

Other income (losses), net

- Other income (losses), net, for Financial Services increased approximately $13.3 million, or 33.7%, to $52.8 million for the year ended December 31, 2014 from $39.5 million for the year ended December 31, 2013. The increase in other income (losses), net, for our Financial Services segment was primarily due to the earn-out portion and the related mark-to-market movements and/or hedging of the NASDAQ Transaction consideration.

- Other income (losses), net, for the Corporate Items category decreased approximately $725.6 million, or 101.7%, to $(12.0) million for the year ended December 31, 2014 from $713.6 million for the year ended December 31, 2013. The decrease was primarily due to the gain on divestiture related to the sale of eSpeed in 2013.

Income (loss) from operations before income taxes

- Income (loss) from operations before income taxes for Financial Services increased approximately $29.7 million, or 14.6%, to $233.3 million for the year ended December 31, 2014 from $203.6 million for the year ended December 31, 2013. The increase in income (loss) from operations before income taxes for our Financial Services segment was primarily due to lower revenues along with our ongoing cost reduction program.
- Income (loss) from operations before income taxes for Real Estate Services increased $23.6 million, or 51.7%, to $69.1 million for the year ended December 31, 2014 from $45.6 million for the year ended December 31, 2013. The increase in income (loss) from operations before income taxes for our Real Estate Services segment was due to increased revenues, as described above, partially offset by an increase in expenses, as also described above.

[Table of Contents](#)

QUARTERLY RESULTS OF OPERATIONS

The following table sets forth our unaudited quarterly results of operations for the indicated periods (in thousands). Results of any period are not necessarily indicative of results for a full year and may, in certain periods, be affected by seasonal fluctuations in our business. Certain reclassifications have been made to prior period amounts to conform to the current period's presentation.

	December 31, 2015 [1]	September 30, 2015 [1, 2]	June 30, 2015 [1]	March 31, 2015 [1, 3]	December 31, 2014 [1]	September 30, 2014 [1, 2]	June 30, 2014 [1]	March 31, 2014 [1]
Revenues:								
Commissions	$ 509,771	$ 521,264	$487,810	$415,283	$ 381,182	$ 331,466	$291,666	$303,598
Principal transactions	74,184	73,841	95,349	69,768	50,366	51,327	72,751	79,507
Real estate management services	51,121	48,867	46,528	40,602	43,929	40,452	39,020	39,826
Fees from related parties	6,038	6,609	6,095	6,606	6,631	6,749	7,967	7,032
Market data and software solutions	26,757	29,124	27,693	11,527	2,578	2,369	2,195	2,335
Interest income	4,390	1,387	3,161	1,705	1,673	1,642	1,925	2,072
Other revenues	1,183	4,203	2,495	2,076	2,924	2,211	1,678	10,419
Total revenues	673,444	685,295	669,131	547,567	489,283	436,216	417,202	444,789
Expenses:								
Compensation and employee benefits	478,851	437,116	432,176	346,813	310,816	270,642	264,318	275,299
Allocations of net income and grants of exchangeability to limited partnership units and FPUs	145,718	50,667	26,200	37,054	30,392	52,516	22,402	31,323
Total compensation and employee benefits	624,569	487,783	458,376	383,867	341,208	323,158	286,720	306,622
Occupancy and equipment	54,344	51,300	63,108	42,965	35,238	35,575	35,701	40,921
Fees to related parties	4,479	4,876	4,121	4,567	5,516	2,681	2,133	1,807
Professional and consulting fees	11,368	14,017	14,331	23,052	20,013	10,565	10,156	11,089
Communications	30,631	31,503	32,110	24,937	20,636	20,087	21,312	20,458
Selling and promotion	26,592	23,370	26,763	20,476	18,727	16,730	18,255	18,025
Commissions and floor brokerage	9,478	8,865	10,473	6,278	4,762	4,806	5,575	4,206
Interest expense	18,074	16,944	18,439	15,902	10,183	9,197	9,230	9,335
Other expenses	63,021	26,802	27,179	21,041	93,959	26,732	13,584	16,582
Total expenses	842,556	665,460	654,900	543,085	550,242	449,531	402,666	429,045
Other income (losses), net:								
Gains (losses) on divestiture and sale of investments	390,951	2,717	894	(215)	—	—	—	—
(Losses) gains on equity method investments	(815)	1,042	833	803	(2,418)	(2,640)	(1,288)	(2,275)
Other income (losses)	30,909	59,728	1,331	31,200	4,091	45,892	1,667	(2,223)
Total other income (losses), net	421,045	63,487	3,058	31,788	1,673	43,252	379	(4,498)
Income (loss) from operations before income taxes	251,933	83,322	17,289	36,270	(59,286)	29,937	14,915	11,246
Provision (benefit) for income taxes	79,441	28,737	2,272	10,046	(22,501)	18,808	3,600	744
Consolidated net income (loss)	172,492	54,585	15,017	26,224	(36,785)	11,129	11,315	10,502

Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	107,477	16,214	5,670	12,169	(18,100)	3,918	3,714	2,494
Net income (loss) available to common stockholders	$ 65,015	$ 38,371	$ 9,347	$ 14,055	$ (18,685)	$ 7,211	$ 7,601	$ 8,008

1 All periods reflect the Company's divestiture of its on-the-run, electronic benchmark U.S. Treasury platform to NASDAQ on June 28, 2013.

2 Amounts include the gains related to the earn-out associated with the NASDAQ transaction recorded in Other income (losses).

3 Amounts include the recognition of the cumulative realized gain of $29.0 million on the 17.1 million shares of GFI common stock owned by us prior to the tender offer.

The table below details our brokerage revenues by product category for the indicated periods (in thousands):

	December 31, 2015 [1]	September 30, 2015 [1]	June 30, 2015 [1]	March 31, 2015 [1]	December 31, 2014 [1]	September 30, 2014 [1]	June 30, 2014 [1]	March 31, 2014 [1]
Brokerage revenue by product):								
Rates	$ 106,860	$ 113,319	$126,346	$122,011	$ 89,715	$ 93,538	$104,677	$113,672
Credit	63,863	68,055	74,194	67,175	47,940	53,545	58,923	65,446
Foreign exchange	71,592	83,706	82,404	72,941	57,591	56,233	49,279	52,066
Energy & Commodities	59,226	54,827	54,815	29,404	15,785	13,795	13,154	13,054
Equities and other asset classes	47,008	50,430	54,001	36,215	30,690	29,634	30,483	29,697
Leasing and other services	162,263	143,680	130,221	103,563	135,725	107,471	87,035	87,545
Real estate capital markets	73,143	81,088	61,178	53,742	54,102	28,577	20,866	21,625
Total brokerage revenues	$ 583,955	$ 595,105	$583,159	$485,051	$ 431,548	$ 382,793	$364,417	$383,105
Brokerage revenue by product (percentage):								
Rates	18.3%	19.0%	21.7%	25.2%	20.8%	24.4%	28.7%	29.7%
Credit	10.9	11.4	12.7	13.8	11.1	14.0	16.2	17.1
Foreign exchange	12.3	14.1	14.1	15.0	13.3	14.7	13.5	13.6
Energy & Commodities	10.1	9.2	9.4	6.1	3.7	3.6	3.6	3.4
Equities and other asset classes	8.1	8.5	9.3	7.5	7.1	7.7	8.4	7.7
Leasing and other services	27.8	24.2	22.3	21.3	31.5	28.1	23.9	22.9
Real estate capital markets	12.5	13.6	10.5	11.1	12.5	7.5	5.7	5.6
Total brokerage revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Brokerage revenue by type:								
Real Estate	$ 235,406	$ 224,768	$191,399	$157,305	$ 189,827	$ 136,048	$107,901	$109,170
Financial Services voice/hybrid	312,076	332,430	350,944	292,377	216,413	224,062	236,152	252,769
Financial Services fully electronic	36,473	37,907	40,816	35,369	25,308	22,683	20,364	21,166
Total brokerage revenues	$ 583,955	$ 595,105	$583,159	$485,051	$ 431,548	$ 382,793	$364,417	$383,105
Brokerage revenue by type (percentage):								
Real Estate	40.3%	37.8%	32.8%	32.4%	44.0%	35.5%	29.6%	28.5%
Financial Services voice/hybrid	53.5	55.8	60.2	60.3	50.1	58.6	64.8	66.0
Financial Services fully electronic	6.2	6.4	7.0	7.3	5.9	5.9	5.6	5.5
Total brokerage revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

1 All periods reflect the Company’s divestiture of its on-the-run, electronic benchmark U.S. Treasury platform to NASDAQ on June 28, 2013.

LIQUIDITY AND CAPITAL RESOURCES

Balance Sheet

Our balance sheet and business model are not capital intensive. Our assets consist largely of cash, marketable securities, collateralized and uncollateralized short-dated receivables and less liquid assets needed to support our business. Longer-term capital (equity and notes payable) is held to support the less liquid assets and potential capital intensive opportunities. Total assets at December 31, 2015 were $4.0 billion, an increase of 45.1 % as compared to December 31, 2014. The increase in total assets was driven primarily by increases in marketable securities, goodwill and other intangible assets. These increases were primarily related to the acquisitions of GFI, ARA, CFI and Excess Space. We maintain a significant portion of our assets in cash and marketable securities, with our liquidity (which we define as cash and cash equivalents, marketable securities and securities owned) at December 31, 2015 of $1,026.1 million. See “Liquidity Analysis” below for a further discussion of our liquidity.

On June 23, 2015, the Audit Committee of the Company authorized management to enter into a revolving credit facility with Cantor of up to $150 million in aggregate principal amount pursuant to which Cantor or BGC would be entitled to borrow funds from each other from time to time. The outstanding balances would bear interest at the higher of the borrower’s or the lender’s short term borrowing rate then in effect plus 1%. There were no borrowings outstanding under the facility as of December 31, 2015.

As part of our cash management process, we may enter into tri-party reverse repurchase agreements and other short term investments, some of which may be with Cantor. As of December 31, 2015, we had no reverse repurchase agreements outstanding with Cantor.

Additionally, in August 2013, the Audit Committee authorized us to invest up to $350 million in an asset-backed commercial paper program for which certain Cantor entities serve as placement agent and referral agent. The program issues short-term notes to money market investors and is expected to be used from time to time as a liquidity management vehicle. The notes are backed by assets of highly rated banks. We are entitled to invest in the program so long as the program meets investment policy guidelines, including relating to ratings. Cantor will earn a spread between the rate it receives from the short-term note issuer and the rate it pays to us on any investments in this program. This spread will be no greater than the spread earned by Cantor for placement of any other commercial paper note in the program. As of December 31, 2015, we had no investments in the program.

Funding

Our funding base consists of longer-term capital (equity and notes payable), shorter-term liabilities and accruals that are a natural outgrowth of specific assets and/or our business model, such as matched fails and accrued compensation. We have limited need for short-term unsecured funding in our regulated entities for their brokerage business. Contingent liquidity needs are largely limited to potential cash collateral that may be needed to meet clearing bank, clearinghouse, and exchange margins and/or to fund fails. Capital expenditures tend to be cash neutral and approximately in line with depreciation. Current cash balances significantly exceed our unsecured letters of credit and our unsecured bank borrowings. We believe that cash in and available to our largest regulated entities, inclusive of financing provided by clearing banks, is adequate for potential cash demands of normal operations such as margin or fail financing. We expect our operating activities going forward to generate adequate cash flows to fund normal operations, including any dividends issued pursuant to our dividend policy. However, we believe that there are a significant number of capital intensive opportunities for us to maximize our growth and strategic position, including, among other things, acquisitions, strategic alliances and joint ventures potentially involving all types and combinations of equity, debt and acquisition alternatives. As a result, we may need to raise additional funds to:

- increase the regulatory net capital necessary to support operations;
- support continued growth in our business;
- effect acquisitions;
- develop new or enhanced services and markets; and
- respond to competitive pressures.

Acquisitions and financial reporting obligations related thereto may impact our ability to access capital markets on a timely basis and may necessitate greater short-term borrowings in the interim. This may impact our credit rating or the interest rates on our debt. We may need to access short-term capital sources to meet business needs from time to time, including, but not limited to, conducting operations, hiring or retaining brokers, financing acquisitions, and providing liquidity, including in situations where we may not be able to access the capital markets in a timely manner when desired by us. Accordingly, we cannot guarantee that we will be able to obtain additional financing when needed on terms that are acceptable to us, if at all.

On June 28, 2013, upon completion of the sale of eSpeed (see “NASDAQ Transaction” herein), we received cash consideration of $750 million, subject to adjustment for certain pre-paid amounts and accrued costs and expenses, plus an earn-out of up to 14,883,705 shares of NASDAQ common stock to be paid ratably in each of the fifteen years following the closing.

On February 26, 2015, we successfully completed our tender offer to acquire shares of common stock, par value $0.01 per share, of GFI for $6.10 per share in cash and accepted for purchase 54.3 million shares tendered to us pursuant to the offer. The tendered shares, together with the 17.1 million shares already owned by us, represented approximately 56% of the then-outstanding shares of GFI. We issued payment for the tendered shares on March 4, 2015 in the aggregate amount of $331.1 million. On April 28, 2015, we purchased from GFI approximately 43.0 million new shares at that date’s closing price of $5.81 per share, for an aggregate purchase price of $250 million. The purchase price was paid to GFI in the form of a note due on June 19, 2018 that bore an interest rate of LIBOR plus 200 basis points. The new shares and the note eliminate in consolidation. Following the issuance of the new shares, we owned approximately 67% of GFI’s outstanding common stock, which gave us control over the timing and process for the completion of a back-end merger (the “Back-End Mergers”) pursuant to the tender offer agreement.

On January 12, 2016, we completed our acquisition (the “JPI Merger”) of Jersey Partners, Inc. (“JPI”). The JPI Merger occurred pursuant to a merger agreement (the “Merger Agreement”), dated as of December 22, 2015. Shortly following the completion of the JPI Merger, a subsidiary of BGC merged with and into GFI pursuant to a short-form merger under Delaware law, with GFI continuing as the surviving entity (the “GFI Merger”). The Back-End Mergers allowed BGC to acquire the remaining approximately 33 percent of the outstanding shares of GFI common stock that BGC did not already own. Following the closing of the Back-End Mergers, BGC and its affiliates now own 100 percent of the outstanding shares of GFI’s common stock. See Note 4—“Acquisitions” to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information about the GFI transaction.

In total, approximately 23.5 million shares of BGC Class A Common Stock and $111.3 million in cash were issued or paid with respect to the closing of the Back-End Mergers, inclusive of adjustments. The total purchase consideration for all shares of GFI purchased by BGC was approximately $750 million, net of the $250.0 million note previously issued to GFI by BGC, which is eliminated in consolidation. This figure excludes the $29.0 million gain recorded in the first quarter of 2015 with respect to the appreciation of the 17.1 million shares of GFI held by BGC prior to the successful completion of the tender offer. The excess of total consideration over the fair value of the total net assets acquired, of approximately $453.8 million, has been recorded to goodwill and was allocated to our Financial Services segment.

As of December 31, 2015, our liquidity, which we define as cash and cash equivalents, marketable securities and securities owned, was approximately $1.0 billion. In December, we sold the Trayport business to ICE in exchange for approximately 2.5 million ICE common shares issued with respect to the $650 million purchase price, which was adjusted at closing. The proceeds from the Trayport sale contributed to our more than $1 billion of balance sheet liquidity as of the end of the year. In addition to our strong current liquidity position, we expect to receive over $760 million in additional NASDAQ stock over time (stock value based on the February 25, 2016 closing price), which is not reflected on our balance sheet. We anticipate having $1.7 billion available to us to drive substantial returns for our investors. We expect to use our considerable financial resources to repay debt, profitably hire, make accretive acquisitions, pay dividends, and/or repurchase shares and units of BGC, all while maintaining or improving our investment grade rating.

Notes Payable, Collateralized Borrowings and Short-Term Borrowings

8.75% Convertible Notes

On April 1, 2010, BGC Holdings issued an aggregate of $150.0 million principal amount of the 8.75% Convertible Notes to Cantor. We used the proceeds of the 8.75% Convertible Notes to repay at maturity $150.0 million aggregate principal amount of Senior Notes.

On April 13, 2015, the 8.75% Convertible Notes, due April 15, 2015, were fully converted into approximately 24.0 million shares of Class A common stock. On June 15, 2015, we filed a resale registration statement on Form S-3 pursuant to which 24,042,599 shares of our Class A common stock may be sold from time to time by Cantor or by certain of its pledgees, donees, distributees, counterparties, transferees or other successors of interest of the shares, including banks or other financial institutions which may enter into stock pledge, stock loan or other financing transactions with Cantor or its affiliates, as well as by their respective pledgees, donees, distributees, counterparties, transferees or other successors in interest.

4.50% Convertible Notes

On July 29, 2011, we issued an aggregate of $160.0 million principal amount of 4.50% Convertible Notes. In connection with the offering of the 4.50% Convertible Notes, we entered into an Indenture, dated as of July 29, 2011, with U.S. Bank National Association, as trustee. The 4.50% Convertible Notes were offered and sold solely to qualified institutional buyers pursuant to Rule 144A under the Securities Act.

The 4.50% Convertible Notes are our general senior unsecured obligations. The 4.50% Convertible Notes pay interest semi-annually at a rate of 4.50% per annum and were priced at par. As of December 31, 2015, the 4.50% Convertible Notes were convertible, at the holder’s option, at a conversion rate of 101.6260 shares of Class A common stock per $1,000 principal amount of notes, subject to adjustment in certain circumstances. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our Class A common stock, or a combination thereof at our election. As of December 31, 2015, the 4.50% Convertible Notes were convertible into approximately 16.3 million shares of our Class A common stock. The 4.50% Convertible Notes will mature on July 15, 2016, unless earlier repurchased, exchanged or converted. The carrying value of the 4.50% Convertible Notes was approximately $157.3 million as of December 31, 2015.

In connection with the offering of the 4.50% Convertible Notes, we entered into capped call transactions, which are expected to reduce the potential dilution of our Class A common stock upon any conversion of 4.50% Convertible Notes in the event that the market value per share of our Class A common stock, as measured under the terms of the capped call transactions, is greater than the strike price of the capped call transactions, which was $10.78 as of December 31, 2015, subject to adjustment in certain circumstances. The capped call transactions had a cap price equal to $13.48 per share as of December 31, 2015.

The net proceeds from this offering were approximately $144.2 million after deducting the initial purchasers’ discounts and commissions, estimated offering expenses and the cost of the capped call transactions. We used the net proceeds from the offering for general corporate purposes, including financing acquisitions.

8.125% Senior Notes

On June 26, 2012, we issued an aggregate of $112.5 million principal amount of 8.125% Senior Notes due 2042. The 8.125% Senior Notes are our senior unsecured obligations. The 8.125% Senior Notes may be redeemed for cash, in whole or in part, on or after June 26, 2017, at our option, at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. The 8.125% Senior Notes are listed on the New York Stock Exchange under the symbol "BGCA." We used the proceeds to repay short-term borrowings under our unsecured revolving credit facility and for general corporate purposes, including acquisitions. The initial carrying value of the 8.125% Senior Notes was $108.7 million, net of debt issuance costs of $3.8 million. Cantor Fitzgerald & Co. ("CF&Co"), an affiliate of us, served as one of the underwriters in this transaction and was paid an underwriting fee of approximately $0.2 million.

5.375% Senior Notes

On December 9, 2014, the Company issued an aggregate of $300.0 million principal amount of 5.375% Senior Notes due 2019 ("the 5.375% Senior Notes"). The 5.375% Senior Notes are general senior unsecured obligations of the Company. These Senior Notes bear interest at a rate of 5.375% per year, payable in cash on June 9 and December 9 of each year, commencing June 9, 2015. The interest rate payable on the notes will be subject to adjustments from time to time based on the debt rating assigned by specified rating agencies to the notes, as set forth in the Indenture. The 5.375% Senior Notes will mature on December 9, 2019. The Company may redeem some or all of the notes at any time or from time to time for cash at certain "make-whole" redemption prices (as set forth in the Indenture). If a "Change of Control Triggering Event" (as defined in the Indenture) occurs, holders may require the Company to purchase all or a portion of their notes for cash at a price equal to 101% of the principal amount of the notes to be purchased plus any accrued and unpaid interest to, but excluding, the purchase date.

The initial carrying value of the 5.375% Senior Notes was $295.1 million, net of the discount and debt issuance costs of $4.9 million. The issuance costs are amortized as interest cost, and the carrying value of the 5.375% Senior Notes will accrete up to the face amount over the term of the notes. The Company recorded interest expense related to the 5.375% Senior Notes of $17.1 million and $1.0 million for the year ended December 31, 2015 and 2014, respectively.

8.375% Senior Notes

As part of the GFI acquisition, the Company acquired $240.0 million in aggregate principal amount of 8.375% Senior Notes (the "8.375% Senior Notes") due July 2018. The fair value of these notes as of December 31, 2015 was $263.7 million. Interest on these notes is payable, semi-annually in arrears on the 19th of January and July. Due to the cumulative effect of downgrades to the credit rating of GFI's 8.375% Senior Notes, the 8.375% Senior Notes were previously subjected to 200 basis points penalty interest. On April 28, 2015, a subsidiary of the Company purchased from GFI approximately 43.0 million newly issued shares of GFI's common stock. This increased BGC's ownership to approximately 67% of GFI's outstanding common stock and gave us the ability to control the timing and process with respect to a full merger, which as discussed in Note 25—"Subsequent Events" to our consolidated financial statements, was completed on January 12, 2016. Also on July 10, 2015, we guaranteed the obligations of GFI under these 8.375% Senior Notes. These actions resulted in upgrades of the credit ratings of GFI's 8.375% Senior Notes by Moody's Investors Service, Fitch Ratings Inc. and Standard & Poor's, which reduced the penalty interest to 25 basis points effective July 19, 2015. On November 4, 2015, GFI, BGC and the Trustee entered into the First Supplemental Indenture supplementing the Indenture and incorporating BGC's guarantee of the Notes (the "First Supplemental Indenture"). On January 13, 2016, Moody's Investors Service further upgraded the credit rating on GFI's 8.375% Senior Notes, eliminating the penalty interest.

On January 12, 2016, BGC Partners, Inc. entered into a second supplemental indenture, dated as of January 12, 2016 (the "Second Supplemental Indenture"), among GFI Group Inc. ("GFI"), BGC and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), supplementing the indenture, dated as of July 19, 2011, as supplemented by the First Supplemental Indenture thereto, dated as of November 4, 2015 (the "Indenture"), among GFI, BGC and the Trustee, which governs the 8.375% Senior Notes due 2018 (the "Notes"), issued by GFI and fully and unconditionally guaranteed by BGC.

The Second Supplemental Indenture modifies the reporting covenant in the Indenture to provide that, for so long as BGC (or another publicly reporting company controlling GFI) guarantees the Notes, the reports that BGC (or such other publicly reporting company controlling GFI) files with the Securities and Exchange Commission (the "SEC") will be furnished to the Trustee in lieu of any GFI SEC reports.

The amendments contained in the Second Supplemental Indenture became operative on January 12, 2016, upon GFI's payment of the consent fee described therein. The final amount of the consent fee was approximately $8.00 per $1,000 principal amount. As a result, effective January 15, 2016, GFI ceased filing annual, quarterly and other reports with the SEC.

The Company recorded interest expense related to the 8.375% Senior Notes of $19.2 million for the year ended December 31, 2015.

Collateralized Borrowings

On various dates beginning in 2009 and most recently in December 2012, the Company entered into secured loan arrangements under which it pledged certain fixed assets as security for loans. The secured loan arrangements had fixed rates between 2.62% and 8.09% per annum and were repayable in consecutive monthly installments with the final payments due in December 2016. During the year ended December 31, 2014, the Company prepaid $1.5 million related to the secured loan arrangements; therefore, these secured loan arrangements were not outstanding as of December 31, 2015 or 2014. The Company recorded interest expense related to these secured loan arrangements of $4 thousand and $1.6 million for the years ended December 31, 2014, and 2013 respectively.

On March 13, 2015, the Company entered into a new secured loan arrangement of $28.2 million under which it pledged certain fixed assets as security for a loan. This arrangement incurs interest at a fixed rate of 3.70% and matures on March 13, 2019. As of December 31, 2015, the Company had $23.0 million outstanding related to this secured loan arrangement, which includes $0.2 million of deferred financing costs. The value of the fixed assets pledged as of December 31, 2015 was $11.4 million. The Company recorded interest expense related to this secured loan arrangement of $0.8 million year ended December 31, 2015.

Credit Agreements

As part of the GFI acquisition, we assumed a credit agreement as amended (the "GFI Credit Agreement") with Bank of America, N.A. and certain other lenders, which provided for maximum revolving loans of up to $75.0 million. We repaid the amount outstanding on October 2, 2015, prior to the sale of our Trayport division. For the year ended December 31, 2015, we recorded interest expense related to the GFI Credit Agreement of $1.9 million.

On October 1, 2015, we entered into a previously authorized $150.0 million revolving credit facility (the "Facility") with Cantor and borrowed $100.0 million under such facility (the "Cantor Loan"). The Cantor Loan bears interest at the rate of LIBOR plus 3.25% and may be adjusted based on Cantor's short-term borrowing rate then in effect plus 1%. The Facility has a maturity date of August 10, 2017. The Company recorded interest expense related to the Cantor Loan of $0.8 million for the year ended December 31, 2015. The Cantor Loan was repaid by December 31, 2015.

On December 24, 2015, we entered into a committed unsecured credit agreement with Bank of America, N.A. The credit agreement provides for maximum revolving loans of $25 million through March 24, 2016. The interest rate on this facility is LIBOR plus 200 basis points. There were no borrowings outstanding under the facility as of December 31, 2015.

On February 25, 2016, we entered into a committed unsecured credit agreement with Bank of America, N.A., as administrative agent, and a syndicate of lenders. Several of our domestic non-regulated subsidiaries are parties to the credit agreement as guarantors. The credit agreement provides for maximum revolving loans of $150 million, with the option to increase the aggregate loans to $200 million. The maturity date of the facility is February 25, 2018. Borrowings under this facility bear interest at either LIBOR or a defined base rate plus an additional margin which ranges from 50 basis points to 250 basis points depending on our debt rating as determined by S&P and Fitch and whether such loan is a LIBOR loan or a base rate loan. Contemporaneously with the closing of this credit agreement, the $25 million unsecured credit agreement entered into on December 24, 2015 with Bank of America, N.A. as lender was terminated. As of February 29, 2016, there were no borrowings outstanding under either this $150 million facility or the terminated $25 million facility.

We may raise additional funds from time to time through equity or debt financing, including public and private sales of debt securities, to finance our business, operations and possible acquisitions.

CREDIT RATINGS

Our public long-term credit ratings and associated outlooks are as follows:

	Rating	Outlook
Fitch Ratings Inc.	BBB-	Stable
Standard & Poor's	BBB-	Stable

Credit ratings and associated outlooks are influenced by a number of factors, including but not limited to: operating environment, earnings and profitability trends, the prudence of funding and liquidity management practices, balance sheet size/composition and resulting leverage, cash flow coverage of interest, composition and size of the capital base, available liquidity, outstanding borrowing levels and the firm's competitive position in the industry. A credit rating and/or the associated outlook can be revised upward or downward at any time by a rating agency if such rating agency decides that circumstances warrant such a change. Any reduction in our credit ratings and/or the associated outlook could adversely affect the availability of debt financing on terms acceptable to us, as well as the cost and other terms upon which we are able to obtain any such financing. In addition, credit ratings and associated outlooks may be important to customers or counterparties when we compete in certain markets and when we seek to engage in certain transactions. In connection with certain agreements, we may be required to provide additional collateral in the event of a credit ratings downgrade.

LIQUIDITY ANALYSIS

We consider our liquidity to be comprised of the sum of Cash and cash equivalents plus Marketable securities, which have not been financed, and Securities owned. The discussion below describes the key components of our liquidity analysis, including earnings, dividends and distributions, net investing and funding activities including repurchases and redemptions of Class A common stock and partnership units, security settlements, changes in securities held and marketable securities, and changes in our working capital.

We consider the following in analyzing changes in our liquidity.

A comparison of consolidated net income adjusted for certain non-cash items (e.g., grants of exchangeability) as presented on the cash flow statement. Dividends and distributions are payments made to our holders of common shares and limited partnership interests and are related to earnings from prior periods. These timing differences will impact our cash flows in a given period.

Our investing and funding activities represent a combination of our capital raising activities, including short-term borrowings and repayments, issuances of shares under our controlled equity offerings (net), Class A common stock repurchases and partnership unit redemptions, purchases and sales of securities, dispositions, and other investments (e.g. acquisitions, forgivable loans to new brokers and capital expenditures-all net of depreciation and amortization).

Our securities settlement activities primarily represent deposits with clearing organizations. In addition, when advantageous, we may elect to facilitate the settlement of matched principal transactions by funding failed trades, which results in a temporary secured use of cash and is economically beneficial to us.

Other changes in working capital represent changes primarily in receivables and payables and accrued liabilities that impact our liquidity.

Changes in Securities owned and Marketable securities may result from additional cash investments or sales, which will be offset by a corresponding change in Cash and cash equivalents and accordingly will not result in a change in our liquidity. Conversely, changes in the market value of such securities and the receipt of the NASDAQ earn-out in the form of additional NASDAQ shares are reflected in our earnings or other comprehensive income and will result in changes in our liquidity.

As of December 31, 2015, the Company had $461.2 million of cash and cash equivalents, and included in this amount was $271.6 million of cash and cash equivalents held by foreign subsidiaries. With the exception of the cash proceeds from the sale of Trayport, it is our intention to permanently reinvest undistributed foreign pre-tax earnings in the Company's foreign operations. It is not practicable to determine the amount of additional tax that may be payable in the event these earnings are repatriated due to the fluctuation of the relative ownership percentages of the foreign subsidiaries between the Company and BGC Holdings, L.P. With respect to the sale of Trayport, management concluded that the foreign proceeds attributable to the sale of Trayport in the amount of $603.9 million will ultimately be repatriated and will provide U.S. tax on those amounts. For these proceeds which are not permanently reinvested, the deferred tax liability of $135.5 million is net of foreign tax credits, which will be generated at the time of repatriation. In addition, certain GFI Group net operating loss carryforwards are expected to be utilized to reduce cash taxes. Taking these items together, we therefore expect to pay effective cash taxes of no more than $64 million related to the Trayport purchase price, or an expected rate of less than 10 percent.

Discussion of the year ended December 31, 2015

The table below presents our Liquidity Analysis as of December 31, 2015 and December 31, 2014:

	December 31, 2015	December 31, 2014
(in millions)		
Cash and cash equivalents	$ 461.2	$ 648.3
Securities owned	32.4	32.5
Marketable securities [1]	532.5	144.7
Total	$ 1,026.1	$ 825.5

1 $117.9 million of Marketable Securities on our balance sheet have been lent out in a Securities Loaned transaction and therefore are not included in this Liquidity Analysis.

The $200.6 million increase in our liquidity position from $825.5 million to $1,026.1 million as of December 31, 2015 was primarily driven by the receipt of 2,527,658 Intercontinental Exchange, Inc. shares, partially offset by the purchase of a controlling interest in GFI, as well as the acquisitions of ARA, CFI and Excess Space, Steffner Commercial Real Estate, Cincinnati Commercial Real Estate, the redemption of and/or repurchase of shares and units, and the legal settlement with Tullett Prebon plc.

Discussion of the year ended December 31, 2014

The table below presents our Liquidity Analysis as of December 31, 2014 and December 31, 2013:

(in millions)	December 31, 2014	December 31, 2013
Cash and cash equivalents	$ 648.3	$ 716.9
Securities owned	32.5	33.1
Marketable securities	144.7	45.0
Total	$ 825.5	$ 795.0

The $30.5 million increase in our liquidity position from $795.0 million to $825.5 million as of December 31, 2014 was primarily driven by the $295.1 in net proceeds from the issuance of the 5.375% Senior Notes in December 2014, partially offset by cash used for the redemption and/or repurchase of 18.9 million shares and units at a cost of $139.9 million and cash used for acquisitions. The Company's calculation of liquidity as of December 31, 2014, includes the 17.1 million shares of GFIG that BGC and its affiliates owned, although the Company and its affiliates did not intend to sell these shares at that time.

CLEARING CAPITAL

In November 2008, we entered into a clearing capital agreement with Cantor to clear U.S. Treasury and U.S. government agency securities transactions on our behalf. Pursuant to the terms of this agreement, so long as Cantor is providing clearing services to us, Cantor shall be entitled to request from us, and we shall post as soon as practicable, cash or other property acceptable to Cantor in the amount reasonably requested by Cantor under the clearing capital agreement. Cantor had not requested any cash or other property from us as collateral as of December 31, 2015.

REGULATORY REQUIREMENTS

Our liquidity and available cash resources are restricted by regulatory requirements of our operating subsidiaries. Many of these regulators, including U.S. and non-U.S. government agencies and self-regulatory organizations, as well as state securities commissions in the U.S., are empowered to conduct administrative proceedings that can result in censure, fine, the issuance of cease-and-desist orders or the suspension or expulsion of a broker-dealer. In addition, self-regulatory organizations such as the Financial Industry Regulatory Authority ("FINRA") and the National Futures Association ("NFA") along with statutory bodies such as the Financial Conduct Authority ("FCA"), the U.S. Securities and Exchange Commission (the "SEC"), and the U.S. Commodity Futures Trading Commission (the "CFTC") require strict compliance with their rules and regulations. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with broker-dealers and are not designed to specifically protect stockholders. These regulations often serve to limit our activities, including through net capital, customer protection and market conduct requirements.

The FCA is the relevant statutory regulator in the United Kingdom. The FCA was established in 2013, and superseded the former regulatory agency, the FSA. The FCA's objectives are to protect customers, maintain the stability of the financial services industry and promote competition between financial services providers. It has broad rule-making, investigative and enforcement powers derived from the Financial Services and Markets Act 2000 and subsequent and derivative legislation and regulations.

In addition, the majority of our other foreign subsidiaries are subject to similar regulation by the relevant authorities in the countries in which they do business. Additionally, certain other of our foreign subsidiaries are required to maintain non-U.S. net capital requirements. In Hong Kong, BGC Securities (Hong Kong), LLC and GFI (HK) Securities LLC are regulated by the Securities and Futures Commission. BGC Capital Markets (Hong Kong), Limited and GFI (HK) Brokers Ltd, are regulated by The Hong Kong Monetary Authority. All are subject to Hong Kong net capital requirements. In France, Aurel BGC and BGC France Holdings; in Australia, BGC Partners (Australia) Pty Limited, BGC (Securities) and GFI Australia Pty Ltd.; in Japan, BGC Shoken Kaisha Limited's Japanese branch; in Singapore, BGC Partners (Singapore) Limited, BGC Securities (Singapore) Ltd and GFI Group PTE Ltd; in Korea, BGC Capital Markets & Foreign Exchange Broker (Korea) Limited and GFI Korea Money Brokerage Limited; and in Turkey, BGC Partners Menkul Degerler AS, all have net capital requirements imposed upon them by local regulators. In addition, the LCH (LIFFE/LME) clearing organization, of which BGC LP is a member, also imposes minimum capital requirements. In Latin America, BGC Liquidez Distribuidora De Titulos E Valores Mobiliarios Ltda. (Brazil) has net capital requirements imposed upon it by local regulators.

In addition, these subsidiaries may be prohibited from repaying the borrowings of their parents or affiliates, paying cash dividends, making loans to their parent or affiliates or otherwise entering into transactions, in each case, that result in a significant reduction in their regulatory capital position without prior notification or approval from their principal regulator. See Note 22—"Regulatory Requirements," to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K, for further details on our regulatory requirements.

As of December 31, 2015, $510.1 million of net assets were held by regulated subsidiaries. As of December 31, 2015, these subsidiaries had aggregate regulatory net capital, as defined, in excess of the aggregate regulatory requirements, as defined, of $245.1 million.

In April 2013, our Board of Directors and Audit Committee authorized management to enter into indemnification agreements with Cantor and its affiliates with respect to the provision of any guarantees provided by Cantor and its affiliates from time to time as required by regulators. These services may be provided from time to time at a reasonable and customary fee.

BGC Derivative Markets and GFI Swaps Exchange, our subsidiaries, began operating as Swap Execution Facilities ("SEFs") on October 2, 2013. Both BGC Derivative Markets and GFI Swaps Exchange received permanent registration approval from the CFTC as

SEFs on January 22, 2016. Mandatory Dodd-Frank Act compliant execution on SEFs by eligible U.S. persons commenced in February 2014 for "made available to trade" products, and a wide range of other rules relating to the execution and clearing of derivative products have been finalized with implementation periods in 2016 and beyond. We also maintain our ownership stake in ELX, a CFTC-approved designated contract market ("DCM").

Much of BGC's global derivatives volumes continue to be executed by non-U.S. based clients outside the U.S. and subject to local prudential regulations. As such, we also continue to operate our Multilateral Trading Facility ("MTF") in accordance with EU directives as licensed by the FCA.

The final draft of the Markets in Financial Instruments Directive ("MiFID") Level 2 Regulatory Technical Standards was published by the European Securities and Markets Authority ("ESMA") in September 2015 where implementation is now expected to commence in January 2018. MiFID II will have a particularly significant impact in a number of key areas, including corporate governance, transaction reporting, pre- and post-trade transparency, technology synchronization, best execution and investor protection. MiFID II will also introduce a new regulated execution venue category known as the Organized Trading Facility, and there is currently expected to be a joint equivalence assessment by EU and non-EU jurisdictions for granting mutual access to each's domestic marketplaces.

See "Regulation" in Part I, Item 1 of this Annual Report on Form 10-K for additional information related to our regulatory environment.

EQUITY

Class A Common Stock

Changes in shares of the Company's Class A common stock outstanding for the years ended December 31, 2015 and 2014 were as follows:

	Year Ended December,	
	2015	2014
Shares outstanding at beginning of period	185,108,316	181,583,001
Share issuances:		
Exchanges of limited partnership interests1	9,445,664	14,597,544
Vesting of restricted stock units (RSUs)	825,996	987,831
Acquisitions	1,199,052	1,912,630
Other issuances of Class A common stock2	129,151	47,896
Conversion of 8.75% Convertible Notes to Class A common stock	24,042,599	—
Treasury stock repurchases	(1,416,991)	(13,630,725)
Forfeitures of restricted Class A common stock	(270,422)	(389,861)
Shares outstanding at end of period	219,063,365	185,108,316

1 The issuance related to redemptions and exchanges of limited partnership interests did not impact the fully diluted number of shares and units outstanding.

2 The Company did not issue shares of Class A common stock for general corporate purposes during the years ended December 31, 2015 or December 31, 2014.

Class B Common Stock

We did not issue any shares of Class B common stock during the years ended December 31, 2015 and 2014. As of December 31, 2015 and 2014, the Company's Class B common stock outstanding was 34,848,107.

Unit Redemptions and Share Repurchase Program

Our Board of Directors and Audit Committee have authorized repurchases of our Class A common stock and redemptions of BGC Holdings limited partnership interests or other equity interests in our subsidiaries. In February 2014, our Audit Committee authorized such repurchases of stock or units from Cantor employees and partners. On October 27, 2015, our Board of Directors and Audit Committee increased the Company's share repurchase and unit redemption authorization to $300 million, which may include purchases from Cantor, its partners or employees or other affiliated persons or entities. From time to time, we may actively continue to repurchase shares or redeem units. On February 23, 2016, we purchased from Cantor 5,000,000 shares of our Class A common stock at a price of $8.72 per share, the closing price on the date of the transaction. The transaction was included in our stock repurchase authorization. The transaction was approved by the Audit Committee of the Board of Directors. On February 23, 2016, we purchased from The Cantor Fitzgerald Relief Fund 970,639 shares of our Class A common stock at a price of $8.72 per share, the closing price on the date of the transaction.

The table below represents unit redemption and share repurchase activity for the year ended December 31, 2015.

Period	Total Number of Units Redeemed or Shares Repurchased	Average Price Paid per Unit or Share	Approximate Dollar Value of Units and Shares That May Yet Be Redeemed/Purchased Under the Plan
Redemptions [1]			
January 1, 2015—March 31, 2015	2,040,190	$ 8.65	
April 1, 2015—June 30, 2015	1,242,622	8.83	
July 1, 2015—September 30, 2015	1,562,680	8.90	
October 1, 2015—December 31, 2015	2,733,223	8.92	
Total Redemptions	7,578,715	$ 8.85	
Repurchases [2]			
January 1, 2015—March 31, 2015	734,561	$ 7.96	
April 1, 2015—June 30, 2015	6,520	6.29	
July 1, 2015—September 30, 2015	100,000	9.01	
October 1, 2015—December 31, 2015	575,910	9.25	
Total Repurchases	1,416,991	$ 8.55	
Total Redemptions and Repurchases	8,995,706	$ 8.81	$ 294,252,745

1 During the year ended December 31, 2015, the Company redeemed approximately 7.5 million limited partnership units at an aggregate redemption price of approximately $66.3 million for an average price of $8.86 per unit and approximately 100.0 thousand FPUs at an aggregate redemption price of approximately $0.8 million for an average price of $8.44 per unit. During the year ended December 31, 2014, the Company redeemed approximately 10.4 million limited partnership units at an aggregate redemption price of approximately $76.3 million for an average price of $7.28 per unit and approximately 3.8 million FPUs at an aggregate redemption price of approximately $28.8 million for an average price of $7.66 per unit.

2 During the year ended December 31, 2015, the Company repurchased approximately 1.4 million shares of its Class A common stock at an aggregate purchase price of approximately $12.1 million for an average price of $8.55 per share. During the year ended December 31, 2014, the Company repurchased approximately 13.6 million shares of its Class A common stock at an aggregate purchase price of approximately $100.3 million for an average price of $7.36 per share.

The table above represents the gross unit redemptions and share repurchases of our Class A common stock during the year ended December 31, 2015. Approximately 6.9 million of the 7.6 million units above were redeemed using cash from our CEO program, and therefore did not impact the fully diluted number of shares and units outstanding or liquidity position. The remaining redemptions along with the Class A common stock repurchases resulted in a 2.1 million reduction in the fully diluted share count. This net reduction cost the Company approximately $18.1 million (or $8.53 per share/unit) during the year ended December 31, 2015. This reduction partially offset the overall growth in the fully diluted share count which resulted from acquisitions, equity based compensation and front office hires.

The fully diluted weighted-average share count for the three months and year ended December 31, 2015 was as follows (in thousands):

	Three Months Ended December 31, 2015	Year Ended December 31, 2015
Common stock outstanding [1]	254,154	243,460
Limited partnership interests in BGC Holdings	15,628	65,582
Convertible Notes	16,260	23,034
RSUs (Treasury stock method)	740	741
Other	2,815	2,570
Total [2]	289,597	335,387

1 Common stock outstanding consisted of Class A shares, Class B shares and contingent shares for which all necessary conditions have been satisfied except for the passage of time. For the quarter ended December 31, 2015, the weighted-average share count of Class A shares was 219.3 million and Class B shares was 34.8 million. For the year ended December 31, 2015, the weighted-average share count of Class A shares was 208.6 million and Class B shares was 34.8 million.

2 For the quarter ended December 31, 2015, approximately 139.3 million potentially dilutive securities were not included in the computation of fully diluted earnings per share because their effect would have been anti-dilutive. Anti-dilutive securities for the quarter ended December 31, 2015 included, on a weighted-average basis, 115.8 million limited partnership interests and

23.5 million other securities or other contracts to issue shares of common stock. For the year ended December 31, 2015, approximately 65.4 million potentially dilutive securities were not included in the computation of fully diluted earnings per share because their effect would have been anti-dilutive. Anti-dilutive securities for the year ended December 31, 2015 included, on a weighted-average basis, 56.8 million limited partnership interests and 8.6 million other securities or other contracts to issue shares of common stock. Also, as of December 31, 2015, approximately 10.7 million shares of contingent Class A common stock and limited partnership units were excluded from fully diluted EPS computations because the conditions for issuance had not been met by the end of the period.

At the end of the second quarter of 2013, we commenced a Global Partnership Restructuring Program, as a result of which we reduced our fully diluted share count by approximately 32 million shares. In November 2013, we entered into the Ninth Amendment to the Agreement of Limited Partnership of the Partnership (see "Ninth Amendment to Partnership Agreement" herein), which created new preferred partnership units that may not be made exchangeable into our Class A common stock and are only entitled to a distribution each quarter at a rate of either 0.6875% (which is 2.75% per calendar year) or such other amount as set forth in the award documentation, and accordingly they will not be included in the fully diluted share count. Going forward, we intend to continue to reduce our overall rate of share count growth by utilizing these new preferred partnership units.

Similarly, in May 2014 we entered into the Tenth Amendment to the Agreement of Limited Partnership of BGC Holdings (see "Tenth Amendment to the Partnership Agreement" herein). Pursuant to this amendment, NPSUs may not be made exchangeable into shares of the Company's Class A common stock and will not be allocated any items of profit or loss, and accordingly they will not be included in the fully diluted share count.

On November 4, 2015, partners of BGC Holdings approved the Eleventh Amendment to the Agreement of Limited Partnership of BGC Holdings (the "Eleventh Amendment") effective as of October 1, 2015. In order to facilitate partner compensation and for other corporate purposes the Eleventh Amendment created five new classes of non-distributing partnership units ("N Units"), which are Working Partner Units. These new N Units carry the same name as the underlying unit with the insertion of an additional "N" to designate them as the N Unit type and are designated as NREUs, NPREUs, NLPUs, NPLPUs and NPPSUs. The N Units are not entitled to participate in Partnership distributions, will not be allocated any items of profit or loss and may not be made exchangeable into shares of the Company's Class A common stock. Subject to the approval of the Compensation Committee or its designee, N Units are expected to be converted into the underlying unit type (i.e. an NREU will be converted into an REU) and will then participate in Partnership distributions, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to the Company and comply with his or her partnership obligations. The Eleventh Amendment was approved by the Audit Committee of the Board of Directors and by the full Board of Directors.

On June 5, 2015, we entered into an agreement with Cantor providing Cantor, CF Group Management, Inc. ("CFGM") and other Cantor affiliates entitled to hold Class B common stock the right to exchange from time to time, on a one-to-one basis, subject to adjustment, up to an aggregate of 34,649,693 shares of Class A common stock now owned or subsequently acquired by such Cantor entities for up to an aggregate of 34,649,693 shares of Class B common stock. Such shares of Class B common stock, which currently can be acquired upon the exchange of exchangeable limited partnership units owned in BGC Holdings, are already included in our fully diluted share count and will not increase Cantor's current maximum potential voting power in the common equity. These shares of Class B common stock represent the remaining 34,649,693 authorized but unissued shares of Class B common stock available under our Amended and Restated Certificate of Incorporation. The exchange agreement will enable the Cantor entities to acquire the same number of shares of Class B common stock that they are already entitled to acquire without having to exchange its exchangeable limited partnership units in BGC Holdings. Our Audit Committee and full Board of Directors determined that it was in the best interests of us and our stockholders to approve the exchange agreement because it will help ensure that Cantor retains its exchangeable limited partnership units in BGC Holdings, which is the same partnership in which our partner employees participate, thus continuing to align the interests of Cantor with those of the partner employees.

Under the exchange agreement, Cantor Fitzgerald, L.P. ("CFLP") and CFGM have the right to exchange the 22,996,166 shares of Class A common stock owned by them as of December 31, 2015 (including the remaining shares of Class A common stock held by Cantor from the exchange of convertible notes for 24,042,599 shares of Class A common stock on April 13, 2015) for the same number of shares of Class B common stock. Cantor would also have the right to exchange any shares of Class A common stock subsequently acquired by it for shares of Class B common stock, up to the limit of the then-remaining authorized but unissued shares of Class B common stock (34,649,693 as of December 31, 2015).

We and Cantor have agreed that any shares of Class B common stock issued in connection with the exchange agreement would be deducted from the aggregate number of shares of Class B common stock that may be issued to the Cantor entities upon exchange of exchangeable limited partnership units in BGC Holdings. Accordingly, the Cantor entities will not be entitled to receive any more shares of Class B Stock under this agreement than they were previously eligible to receive upon exchange of exchangeable limited partnership units.

Stock Option Exercises

We issued 84,421 of our Class A common stock related to the exercise of stock options during the year ended December 31, 2015. We did not issue any shares of our Class A common stock related to the exercise of stock options during the year ended December 31, 2014.

Equity Registration Statements

We currently have in place an effective equity shelf Registration Statement on Form S-3 (the "Form S-3 Registration Statement") with respect to the issuance and sale of up to 20 million shares of our Class A common stock from time to time on a delayed or continuous basis. On December 12, 2012, we entered into a controlled equity offering sales agreement with CF&Co (the "December 2012 Sales Agreement"), pursuant to which we may offer and sell up to an aggregate of 20 million shares of our Class A common stock. On February 5, 2015, we completed the sales available under the December 2012 Sales Agreement. On November 20, 2014, we entered into a controlled equity offering sales agreement with CF&Co (the "November 2014 Sales Agreement"), pursuant to which we may offer and sell up to an aggregate of 20 million shares of our Class A common stock. Shares of our Class A common stock sold under our controlled equity offering sales agreement are used primarily for redemptions of limited partnership interests in BGC Holdings. CF&Co is a wholly-owned subsidiary of Cantor and an affiliate of us. Under the December 2012 Sales Agreement and November 2014 Sales Agreement, we have agreed to pay CF&Co 2% of the gross proceeds from the sale of shares.

As of January 31, 2016, we have issued and sold an aggregate of approximately 6.6 million shares of Class A common stock under the Form S-3 Registration Statement pursuant to the November 2014 Sales Agreement, with approximately 13.4 million shares of Class A common stock remaining to be sold under this agreement. We intend to use the net proceeds of any shares of Class A common stock sold for general corporate purposes, including potential acquisitions, redemptions of limited partnership units and founding/working partner units in BGC Holdings and repurchases of shares of Class A common stock from partners, executive officers and other employees of ours or our subsidiaries and of Cantor and its affiliates. Certain of such partners will be expected to use the proceeds from such sales to repay outstanding loans issued by, or credit enhanced by, Cantor or BGC Holdings. In addition to general corporate purposes, these registrations along with our share buy-back authorization are designed as a planning device in order to facilitate the redemption process. Going forward, we may redeem units and reduce our fully diluted share count under our repurchase authorization or later sell Class A shares under the registration.

Further, we have an effective registration statement on Form S-4 (the "Form S-4 Registration Statement"), with respect to the offer and sale of up to 20 million shares of Class A common stock from time to time in connection with business combination transactions, including acquisitions of other businesses, assets, properties or securities. As of January 31, 2016, we have issued an aggregate of 7.7 million shares of Class A common stock under the Form S-4 Registration Statement, all in connection with acquisitions in the real estate brokerage industry. We also have an effective shelf Registration Statement on Form S-3 pursuant to which we can offer and sell up to 10 million shares of our Class A common stock under the BGC Partners, Inc. Dividend Reinvestment and Stock Purchase Plan. As of January 31, 2016, we have issued approximately 232.5 thousand shares of our Class A common stock under the Dividend Reinvestment and Stock Purchase Plan.

On June 15, 2015, we filed a resale registration statement on Form S-3 pursuant to which 24,042,599 shares of our Class A common stock that Cantor received on April 13, 2015 in the conversion of the 8.75% Convertible Notes due April 15, 2015. These shares may be sold from time to time by Cantor or by certain of its pledgees, donees, distributees, counterparties, transferees or other successors of interest of the shares, including banks or other financial institutions which may enter into stock pledge, stock loan or other financing transactions with Cantor or its affiliates, as well as by their respective pledgees, donees, distributees, counterparties, transferees or other successors in interest.

Our Compensation Committee may grant stock options, stock appreciation rights, deferred stock such as RSUs, bonus stock, performance awards, dividend equivalents and other equity-based awards, including to provide exchange rights for shares of our Class A common stock upon exchange of limited partnership units and founding/working partner units. On June 2, 2015, at our Annual Meeting of Stockholders, our stockholders approved an amendment and restatement to our Fifth Amended and Restated Long Term Incentive Plan (the "Equity Plan") to increase from 300 million to 350 million the aggregate number of shares of our Class A common stock that may be delivered or cash settled pursuant to awards granted during the life of the Equity Plan. On October 2, 2015, we filed a Registration Statement on Form S-8 with respect to the additional 50 million shares. As of December 31, 2015, the limit on the aggregate number of shares authorized to be delivered allowed for the grant of future awards relating to 180.0 million shares.

On October 9, 2015, we filed a registration statement on Form S-3 pursuant to which CF&Co may make offers and sales of our 8.125% Senior Notes, 5.375% Senior Notes and Convertible Notes in connection with ongoing market-making transactions which may occur from time to time. Such market-making transactions in these securities may occur in the open market or may be privately negotiated at prevailing market prices at a time of resale or at related or negotiated prices. Neither CF&Co, nor any other of our affiliates, has any obligation to make a market in our securities, and CF&Co or any such other affiliate may discontinue market-making activities at any time without notice.

UNIT REDEMPTIONS AND EXCHANGES—EXECUTIVE OFFICERS

During 2013, our executive officers participated in the Global Partnership Restructuring Program. In connection with the program, Messrs. Lynn, Windeatt and Sadler received an aggregate of 283,206 newly-issued BGC Holdings limited partnership units (equivalent to 9.75% of their non-exchangeable units that were redeemed in the above transactions). Upon any sale or other transfer by such executive officers of shares of restricted stock, a proportional number of these units will be redeemed for zero by BGC Holdings. These units are not expected to be made exchangeable into shares of Class A common stock. In connection with the sale of certain shares of restricted stock, an aggregate of 91,703 of such units held by Messrs. Lynn, Windeatt and Sadler were redeemed for zero on February 5, 2014, 6,377 of such units were redeemed for zero on December 5, 2014, and 87,140 of such units were redeemed for zero on January 30, 2015.

SHARE REPURCHASES FROM EXECUTIVE OFFICERS

On January 21, 2014, the Compensation Committee authorized the acceleration of restrictions with respect to an aggregate of 1,254,723 shares of restricted Class A common stock held by our executive officers as follows: Mr. Lutnick, 628,872 shares (Mr. Lutnick does not currently intend to sell any of these shares); Mr. Lynn, 424,347 shares; Mr. Merkel, 14,689 shares; Mr. Windeatt, 146,843 shares; and Mr. Sadler, 39,972 shares. The Compensation Committee authorized the Company to repurchase any or all of such shares from the executive officers at a price of $6.51 per share, which was the closing price of our Class A common stock on January 21, 2014.

On February 5, 2014, certain executive officers elected to sell, and we agreed to purchase, an aggregate of 636,841 shares of Class A common stock from such executive officers at a price of $6.51 per share as follows: Mr. Lynn, 424,347 shares; Mr. Merkel, 14,689 shares; Mr. Windeatt, 157,833 shares (of which 146,843 shares were previously restricted and an additional 10,990 freely tradable shares); and Mr. Sadler, 39,972 shares.

On January 30, 2015, the Compensation Committee authorized the acceleration of restrictions with respect to an aggregate of 578,756 shares of restricted Class A common stock held by the Company’s executive officers as follows: Mr. Lynn, 455,733 shares; Mr. Windeatt, 95,148 shares; Mr. Sadler, 31,669 shares; and Mr. Merkel, 16,354 shares. The Compensation Committee authorized the Company to repurchase any or all of such shares for the executive officers at a price of $7.83 per share, which was the closing price of our Class A common stock on January 30, 2015. In December, 2014, the Compensation Committee authorized the repurchase from Mr. Windeatt of 42,500 shares of restricted stock to the Company, which were sold for an aggregate of $371,875. In January 2015, upon vesting of NPSU awards granted to Mr. Merkel in 2014, the Compensation Committee authorized the Company to grant exchangeability and repurchase 5,607 vested PSUs and 4,588 vested PPSUs at the average price of shares sold under the CEO less 2%.

On July 27, 2015, the Audit Committee granted exchange rights with respect to 8,536 PSUs and 6,983 PPSUs (for a total grant of exchangeability for 15,519 units) that were issued pursuant to vested NPSUs that were awarded to Mr. Merkel, an executive officer of the Company, in May 2014. On October 29, 2015, the Company repurchased (i) the 8,536 PSUs at a price of $8.34 per share, the closing price of the Class A common stock on the date the Company approved the transaction, and (ii) the 6,983 PPSUs at a price of $9.15 per share, the closing price of the Class A common stock on December 31, 2014.

CONTINGENT PAYMENTS RELATED TO ACQUISITIONS

The Company has completed acquisitions, whose purchase price included an aggregate of approximately 9.5 million shares of the Company’s Class A common stock (with an acquisition date fair value of approximately $53.3 million), 9.7 million limited partnership units (with an acquisition date fair value of approximately $63.1 million) and $58.5 million in cash that may be issued contingent on certain targets being met through 2018.

As of December 31, 2015, the Company has issued 6.2 million shares of its Class A common stock, 2.0 million of limited partnership units and $10.9 million in cash related to contingent payments.

PURCHASE OF LIMITED PARTNERSHIP INTERESTS

Cantor has the right to purchase limited partnership interests (Cantor units) from BGC Holdings upon redemption of non-exchangeable founding/working partner units redeemed by BGC Holdings upon termination or bankruptcy of the founding/working partner. Any such Cantor units purchased by Cantor are exchangeable for shares of Class B common stock or, at Cantor’s election or if there are no additional authorized but unissued shares of Class B common stock, shares of Class A common stock, in each case on a one-for-one basis (subject to customary anti-dilution adjustments).

On July 21, 2014, the Company issued exchange rights with respect to, and Cantor purchased, an aggregate of 3,142,257 exchangeable limited partnership units in BGC Holdings consisting of (i) 1,371,058 such units in connection with the redemption by BGC Holdings of an aggregate of 1,371,058 non-exchangeable founding partner units from former Cantor partners who were former founding partners of BGC Holdings, and (ii) 1,771,199 such units in connection with the grant of exchangeability to 1,771,199 units held by former Cantor partners who were former founding partners of BGC Holdings. Such exchangeable limited partnership units were exchangeable by Cantor at any time on a one-for-one basis for shares of common stock of the Company. The aggregate net purchase price paid by Cantor for such units was $10,605,549. Immediately after Cantor's purchases of such exchangeable limited partnership units, also on July 21, 2014, the Company purchased from Cantor an aggregate of 5 million units and shares, consisting of (i) all of such 3,142,257 units and (ii) 1,857,743 previously-owned shares of the Company's Class A common stock, for $38.7 million based on the closing price per share of the Class A common stock on the date of such purchases.

On November 4, 2015, the Company issued exchange rights with respect to, and Cantor purchased, in transactions exempt from registration pursuant to Section 4(a)(2) of the Securities Act, an aggregate of 1,775,481 exchangeable limited partnership units in BGC Holdings, as follows: In connection with the redemption by BGC Holdings of an aggregate of 588,356 non-exchangeable founding partner units from founding partners of BGC Holdings for an aggregate consideration of $2,296,801, Cantor purchased 554,196 exchangeable limited partnership units from BGC Holdings for an aggregate of $2,115,306 (after offset of a founding partner's $46,289 debt due to Cantor). In addition, pursuant to the Sixth Amendment to the BGC Holdings Limited Partnership Agreement, on November 4, 2015, Cantor purchased 1,221,285 exchangeable limited partnership units from BGC Holdings for an aggregate consideration of $4,457,436 in connection with the grant of exchangeability and exchange of 1,221,285 founding partner units. Exchangeable limited partnership units held by Cantor are exchangeable by Cantor at any time on a one-for-one basis (subject to adjustment) for shares of Class A common stock of the Company.

As of December 31, 2015, there were 219,270 non-exchangeable founding/working partner units remaining in which BGC Holdings had the right to redeem and Cantor had the right to purchase an equivalent number of Cantor units.

GUARANTEE AGREEMENT FROM CF&CO

Under rules adopted by the CFTC, all foreign introducing brokers engaging in transactions with U.S. persons are required to register with the National Futures Association ("NFA") and either meet financial reporting and net capital requirements on an individual basis or obtain a guarantee agreement from a registered Futures Commission Merchant ("FCM"). Our European-based brokers engage from time to time in interest rate swap transactions with U.S.-based counterparties, and therefore we are subject to the CFTC requirements. CF&Co has entered into guarantees on our behalf (and on behalf of GFI), and we are required to indemnify CF&Co for the amounts, if any, paid by CF&Co on our behalf pursuant to this arrangement.

GUARANTEE OF THE GFI 8.375% SENIOR NOTES

Effective July 10, 2015, the Company and GFI entered into a guarantee pursuant to which the Company guaranteed the obligations of GFI under GFI's 8.375% Senior Notes due 2018 in the remaining aggregate principal amount of $240 million (the "Notes") and the indenture for the Notes, dated as of July 19, 2011 (the "Indenture"), between GFI and The Bank of New York Mellon Trust Company, N.A., as Trustee. Due to the cumulative effect of downgrades to the credit rating of GFI's 8.375% Senior Notes, the 8.375% Senior Notes had previously been subjected to 200 basis points penalty interest. The Guarantee had a positive impact on the credit ratings of the Notes. Pursuant to the terms of the Indenture, the penalty interest was reduced to 25 basis points effective July 19, 2015. The reduced interest rate was the result of improved credit ratings following both the acquisition of GFI by the Company and the Guarantee. On January 13, 2016, Moody's Investors Service further upgraded the credit rating on GFI's Notes, eliminating the penalty interest.

COMMISSIONS PAID BY CANTOR ENTITIES

Pursuant to the separation agreement relating to our acquisition of certain of our BGC businesses from Cantor in 2008, Cantor has a right, subject to certain conditions, to be our customer and to pay the lowest commissions paid by any other customer, whether by volume, dollar or other applicable measure. In addition, Cantor has an unlimited right to internally use market data from us without any cost. Any future related-party transactions or arrangements between us and Cantor are subject to the prior approval by our Audit Committee. During the years ended December 31, 2015, 2014 and 2013, we recorded revenues from Cantor entities of $0.3 million, $0.4 million and $0.3 million, respectively, related to commissions paid to us by Cantor.

EQUITY METHOD INVESTMENTS

On June 3, 2014, the Company's Board of Directors and Audit Committee authorized the purchase of 1,000 Class B Units of LFI Holdings, LLC ("LFI"), a subsidiary of Cantor, representing 10% of the issued and outstanding Class B Units of LFI after giving effect to the transaction. On the same day, the Company completed the acquisition for $6.5 million and was granted an option to purchase an additional 1,000 Class B Units of LFI for an additional $6.5 million. On August 5, 2015, the Board of Directors and Audit Committee authorized the Company's exercise of the option to purchase additional Class B units of LFI in order to represent an ownership interest of 20% of LFI. On January 15, 2016, the Company closed on the exercise of its option to acquire additional Class B Units of LFI Holdings, LLC. At the closing, the Company made a payment of $6.5 million to LFI. As a result of the option exercise, the Company has a 20% ownership interest in LFI. LFI is a limited liability corporation headquartered in New York which is a technology infrastructure provider tailored to the financial sector. The Company accounts for the acquisition using the equity method.

The Company was authorized to enter into loans, investments or other credit support arrangements for Aqua (see Note 14 — "Related Party Transactions," to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K); such arrangements are proportionally and on the same terms as similar arrangements between Aqua and Cantor. On October 27, 2015, the Company's Board of Directors and Audit Committee increased the authorized amount by an additional $4.0 million. The Company has been further authorized to provide counterparty or similar guarantees on behalf of Aqua from time to time, provided that liability for any such guarantees, as well as similar guarantees provided by Cantor, would be shared proportionally with Cantor.

NINTH AMENDMENT TO PARTNERSHIP AGREEMENT

On November 6, 2013, BGC GP, LLC, a subsidiary of the Company and the General Partner of the Company's majority-owned subsidiary, BGC Holdings, and Cantor, the Majority in Interest Exchangeable Limited Partner of the Partnership, entered into the Ninth Amendment to the Agreement of Limited Partnership of the Partnership (the "Ninth Amendment") effective as of July 1, 2013.

In order to facilitate partner compensation and for other corporate purposes, the Ninth Amendment creates new preferred partnership units ("Preferred Units") that may be awarded to holders of, or contemporaneous with the grant of, PSUs, PSIs, PSEs, LPUs, APSUs, APSIs, APSEs, REUs, RPUs, AREUs, and ARPUs.

Each quarter, the net profits of BGC Holdings will be allocated to such units at a rate of either 0.6875% (which is 2.75% per calendar year) or such other amount as set forth in the award documentation (the "Preferred Distribution"), which is deducted before the calculation and distribution of the quarterly partnership distribution for the remaining partnership units. The Preferred Units will not be entitled to participate in partnership distributions other than with respect to the Preferred Distribution. The Preferred Units may not be made exchangeable into our Class A common stock and are only entitled to the Preferred Distribution, and accordingly they will not be included in the fully diluted share count.

The Ninth Amendment was approved by the Board of Directors and the Audit Committee of the Board of Directors.

TENTH AMENDMENT TO THE PARTNERSHIP AGREEMENT

On May 9, 2014, partners of BGC Holdings approved the Tenth Amendment to the Agreement of Limited Partnership of BGC Holdings (the "Tenth Amendment") effective as of May 9, 2014. In order to facilitate partner compensation and for other corporate purposes the Tenth Amendment creates a new class of partnership units ("NPSUs"), which are working partner units.

NPSUs are identical to PSUs except that NPSUs will not be entitled to participate in Partnership distributions, will not be allocated any items of profit or loss and may not be made exchangeable into shares of the Company's Class A common stock. Upon grant, NPSUs may be assigned a written vesting schedule pursuant to which a certain number of NPSUs would be converted for PSUs/PPSUs on each vesting date, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to the Company and comply with his or her partnership obligations.

The Tenth Amendment was approved by the Audit Committee of the Board of Directors and by the full Board of Directors.

ELEVENTH AMENDMENT TO THE PARTNERSHIP AGREEMENT

On November 4, 2015, partners of BGC Holdings approved the Eleventh Amendment to the Agreement of Limited Partnership of BGC Holdings (the "Eleventh Amendment") effective as of October 1, 2015. In order to facilitate partner compensation and for other corporate purposes the Eleventh Amendment created five new classes of non-distributing partnership units ("N Units"), which are Working Partner Units. These new N Units carry the same name as the underlying unit with the insertion of an additional "N" to designate them as the N Unit type and are designated as NREUs, NPREUs, NLPUs, NPLPUs and NPPSUs.

The N Units are not entitled to participate in Partnership distributions, will not be allocated any items of profit or loss and may not be made exchangeable into shares of our Class A common stock. Subject to the approval of the Compensation Committee or its delegate, the N Units are expected to be converted into the underlying unit type (i.e. an NREU will be converted into an REU) and will then participate in Partnership distributions, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to us and comply with his or her partnership obligations.

The Eleventh Amendment was approved by the Audit Committee of the Board of Directors and by the full Board of Directors.

DEVELOPMENT SERVICES

On February 9, 2016, the Audit Committee of the Board of Directors authorized the Company to enter into an arrangement with Cantor in which the Company would provide dedicated development services to Cantor at a cost to the Company not to exceed $1.4 million per year for the purpose of Cantor developing the capacity to provide quotations in certain ETF component securities, as well as other securities from time to time. The services are terminable by either party at any time and will be provided on the terms and conditions set forth in the existing Administrative Services Agreement.

STOCK LOAN TRANSACTIONS WITH CANTOR

On October 3, 2014, management was granted approval to enter into stock loan transactions with CF&Co utilizing shares of NASDAQ stock or other equities. Such stock loan transactions will bear market terms and rates.

EXECUTIVE COMPENSATION

On January 1, 2015, (i) 1,000,000 of Mr. Lutnick's NPSUs converted into 550,000 PSUs and 450,000 PPSUs, of which Mr. Lutnick has the right to exchange for shares and cash, which he waived under our policy (described below), 239,739 PSUs and 196,150 PPSUs, and (ii) 142,857 of Mr. Merkel's NPSUs converted into 78,571 PSUs and 64,286 PPSUs, of which 5,607 PSUs and 4,588 PPSUs were made exchangeable and repurchased by the Company at the average price of shares of Class A common stock sold under our Controlled Equity Offering less 2%, or $91,558.

On January 30, 2015, the Compensation Committee granted 4 million NPSUs to Mr. Lutnick and 1 million NPSUs to Mr. Lynn. One-quarter of the NPSUs vested on January 1, 2016 and were converted into an equivalent number PSUs/PPSUs for Mr. Lutnick and LPUs/PLPUs for Mr. Lynn on such date. Subject to the approval of the Compensation Committee each year, the remaining NPSUs may be converted pro rata into an equivalent number of PSUs/PPSUs for Mr. Lutnick and LPUs/PLPUs for Mr. Lynn on January 1 of each year beginning on January 1, 2017 and ending January 1, 2020.

Exchange rights with respect to any non-exchangeable PSUs/PPSUs and non-exchangeable LPUs/PLPUs will be determined in accordance with the Company's practices when determining discretionary bonuses or awards, which may include the Compensation Committee's exercise of negative discretion to reduce or withhold any such awards. Upon the signing of any agreement that would result in a "Change in Control" (as defined in the Amended and Restated Change in Control Agreement entered into by Mr. Lutnick and the applicable Deed of Adherence entered into by Mr. Lynn) (1) any unvested NPSUs held by Messrs. Lutnick or Lynn shall vest in full and automatically be converted for exchangeable PSUs/PPSUs or LPUs/PLPUs (i.e., such PSUs and LPUs shall be exchangeable for shares of Class A common stock and PPSUs and PLPUs shall be exchangeable for cash), and (2) any non-exchangeable PSUs/PPSUs held by Mr. Lutnick and non-exchangeable LPUs/PLPUs held by Mr. Lynn shall become immediately exchangeable, which exchangeability may be exercised in connection with such "Change in Control," except that 9.75% of Mr. Lynn's LPUs/PLPUs shall be deemed to be redeemed for zero in proportion to such exchanges of LPUs/PLPUs in accordance with the customary LPU/PLPU structure.

On July 27, 2015, the Audit Committee granted exchange rights with respect to 8,536 PSUs and 6,983 PPSUs (for a total grant of exchangeability for 15,519 units) that were issued pursuant to converted NPSUs that were awarded to Mr. Merkel, an executive officer of the Company, in May 2014. On October 29, 2015, the Company repurchased (i) the 8,536 PSUs at a price of $8.34 per share, the closing price of the Class A common stock on the date the Company approved the transaction, and (ii) the 6,983 PPSUs at a price of $9.15 per share, the closing price of the Class A common stock on December 31, 2014.

MARKET SUMMARY

The following table provides certain volume and transaction count information for the quarterly periods indicated:

	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Notional Volume (in billions)					
Total fully electronic volume	$ 4,301	$ 4,648	$ 5,886	5,643	$ 4,909
Total hybrid volume [1]	47,012	47,703	39,914	26,641	33,609
Total fully electronic and hybrid volume	$ 51,313	$ 52,351	$45,800	32,284	$ 38,518
Transaction Count (in thousands, except for days)					
Total fully electronic transactions	2,652	2,914	3,590	3,752	3,359
Total hybrid transactions	843	885	901	597	679
Total transactions	3,495	3,799	4,491	4,349	4,038
Trading days	64	64	63	61	64

1 Defined as volume from hybrid transactions conducted by BGC Brokers, exclusive of voice-only transactions.

Fully electronic volume, including new products, was $20.5 trillion for the year ended December 31, 2015, compared to $15.5 trillion for the year ended December 31, 2014. Our combined voice/hybrid volume for the year ended December 31, 2015 was $161.3 trillion, compared to $145.0 trillion for the year ended December 31, 2014.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table summarizes certain of our contractual obligations at December 31, 2015 (in thousands):

	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Operating leases [1]	$ 497,432	$ 60,377	$106,070	$ 81,050	$ 249,935
Notes payable and collateralized borrowings [2]	835,724	166,853	254,489	301,882	112,500
Interest on notes payable [3]	362,067	41,037	91,436	33,477	196,117
Other [4]	55,450	55,450	—	—	—
Total contractual obligations	$1,750,673	$ 323,717	$451,995	$416,409	$ 558,552

1 Operating leases are related to rental payments under various non-cancelable leases, principally for office space, net of sublease payments to be received. The total amount of sublease payments to be received is approximately $1.3 million over the life of the agreement.

2 Notes payable and collateralized borrowings reflects the issuance of $160.0 million of the 4.50% Convertible Notes due July 15, 2016 (the $160.0 million represents the principal amount of the debt; the carrying value of the 4.50% Convertible Notes as of December 31, 2015 was approximately $157.3 million), $112.5 million of the 8.125% Senior Notes due June 26, 2042 (the $112.5 million represents the principal amount of the debt; the carrying value of the 8.125% Senior Notes as of December 31, 2015 was approximately $109.1 million), $300.0 million of the 5.375% Senior Notes due December 9, 2019 (the $300.0 million represents the principal amount of the debt; the carrying value of the 5.375% Senior Notes as of December 31, 2015 was approximately $296.1 million), $240.0 million of the 8.375% Senior Notes due July 19, 2018 (the $240.0 million represents the principal amount of the debt; the carrying value of the 8.375% Senior Notes as of December 31, 2015 was approximately $255.3 million), and $23.0 million of collateralized borrowings due March 13, 2019. See Note 18— "Notes Payable, Collateralized and Short-Term Borrowings," for more information regarding these obligations, including timing of payments and compliance with debt covenants.

3 The $196.1 million of interest on notes payable that are due in more than five years represents interest on the 8.125% Senior Notes. The 8.125% Senior Notes may be redeemed for cash, in whole or in part, on or after June 26, 2017, at the Company's option, which may impact the actual interest paid.

4 Other contractual obligations reflect commitments to make charitable contributions, which are recorded as part of "Accounts payable, accrued and other liabilities" in the Company's consolidated statements of financial condition.

OFF-BALANCE SHEET ARRANGEMENTS

In the ordinary course of business, we enter into arrangements with unconsolidated entities, including variable interest entities. See Note 15 —"Investments" to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for additional information related to our investments in unconsolidated entities.

CRITICAL ACCOUNTING POLICIES

The preparation of our consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities in our consolidated financial statements. We believe that of our significant accounting policies (see Note 3—"Summary of Significant Accounting Policies" to our consolidated financial statements in Part II, Item 8 of our Annual Report on Form 10-K), the following policies involve a higher degree of judgment and complexity.

Revenue Recognition

We derive our revenues primarily through commissions from brokerage services, the spread between the buy and sell prices on matched principal transactions, revenues from real estate management services, fees from related parties, fees from certain information products, fees for the provision of certain software solutions, and other revenues.

We recognize revenue when four basic criteria have been met:

- Existence of persuasive evidence that an arrangement exists;
- Delivery has occurred or services have been rendered;
- The seller's price to the buyer is fixed and determinable; and
- Collectability is reasonably assured.

The judgments involved in revenue recognition include determining the appropriate time to recognize revenue. In particular within our Real Estate Services segment, we evaluate our transactions to determine whether contingencies exist that may impact the timing of revenue recognition.

Equity-Based and Other Compensation

Discretionary Bonus: A portion of our compensation and employee benefits expense is comprised of discretionary bonuses, which may be paid in cash, equity, partnership awards or a combination thereof. We accrue expense in a period based on revenues in that period and on the expected combination of cash, equity and partnership units. Given the assumptions used in estimating discretionary bonuses, actual results may differ.

Restricted Stock Units: We account for equity-based compensation under the fair value recognition provisions of the Financial Accounting Standards Board ("FASB") guidance. Restricted stock units ("RSUs") provided to certain employees are accounted for as equity awards, and as per FASB guidance, we are required to record an expense for the portion of the RSUs that is ultimately expected to vest. FASB guidance requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Because significant assumptions are used in estimating employee turnover and associated forfeiture rates, actual results may differ from our estimates under different assumptions or conditions.

The fair value of RSU awards to employees is determined on the date of grant, based on the market value of our Class A common stock. Generally, RSUs granted by us as employee compensation do not receive dividend equivalents; as such, we adjust the fair value of the RSUs for the present value of expected forgone dividends, which requires us to include an estimate of expected dividends as a valuation input. This grant-date fair value is amortized to expense ratably over the awards' vesting periods. For RSUs with graded vesting features, we have made an accounting policy election to recognize compensation cost on a straight-line basis. The amortization is reflected as non-cash equity-based compensation expense in our consolidated statements of operations.

Restricted Stock: Restricted stock provided to certain employees is accounted for as an equity award, and as per FASB guidance, we are required to record an expense for the portion of the restricted stock that is ultimately expected to vest. We have granted restricted stock that is not subject to continued employment or service; however, transferability is subject to compliance with our and our affiliates' customary noncompete obligations. Such shares of restricted stock are generally saleable by partners in five to ten years. Because the restricted stock is not subject to continued employment or service, the grant-date fair value of the restricted stock is expensed on the date of grant. The expense is reflected as non-cash equity-based compensation expense in our consolidated statements of operations.

Limited Partnership Units: Limited partnership units in BGC Holdings are generally held by employees. Generally such units receive quarterly allocations of net income, which are cash distributed on a quarterly basis and generally contingent upon services being provided by the unit holders. As discussed above, our new Preferred Units are not entitled to participate in partnership distributions other than with respect to a distribution at a rate of either 0.6875% (which is 2.75% per calendar year) or such other amount as set forth in the award documentation. As prescribed in FASB guidance, the quarterly allocations of net income to such limited partnership units are reflected as a component of compensation expense under "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in our consolidated statements of operations.

Certain of these limited partnership units entitle the holders to receive post-termination payments equal to the notional amount in four equal yearly installments after the holder's termination. These limited partnership units are accounted for as post-termination liability awards under FASB guidance. Accordingly, we recognize a liability for these units on our consolidated statements of financial condition as part of "Accrued compensation" for the amortized portion of the post-termination payment amount, based on the current fair value of the expected future cash payout. We amortize the post-termination payment amount, less an expected forfeiture rate, over the vesting period, and record an expense for such awards based on the change in value at each reporting period in our consolidated statements of operations as part of "Compensation and employee benefits."

Certain limited partnership units are granted exchangeability into Class A common stock on a one-for-one basis (subject to adjustment). At the time exchangeability is granted, we recognize an expense based on the fair value of the award on that date, which is included in "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in our consolidated statements of operations. During the years ended December 31, 2015, 2014 and 2013, we incurred compensation expense, before associated income taxes of $231.4 million, $126.5 million and $57.0 million, respectively, related to the grant of exchangeability on partnership units. The 2015 amount includes a conversion of 90% of outstanding REUs and RPUs in December 2015 totaling $114.0 million.

Employee Loans: We have entered into various agreements with certain of our employees and partners whereby these individuals receive loans that may be either wholly or in part repaid from distributions that the individuals receive on some or all of their limited partnership interests or may be forgiven over a period of time. Cash advance distribution loans are documented in formal agreements and are repayable in timeframes outlined in the underlying agreements. We intend for these advances to be repaid in full from the future distributions on existing and future awards granted. The distributions are treated as compensation expense when made and the proceeds are used to repay the loan. The forgivable portion of any loans is recognized as compensation expense in our consolidated statements of operations over the life of the loan. We review the loan balances each reporting period for collectability. If we determine that the collectability of a portion of the loan balances is not expected, we recognize a reserve against the loan balances. Actual collectability of loan balances may differ from our estimates.

As of December 31, 2015 and December 31, 2014, the aggregate balance of employee loans, net of reserve, was $158.2 million and $130.8 million, respectively, and is included as "Loans, forgivable loans and other receivables from employees and partners, net" in our consolidated statements of financial condition. Compensation expense for the above-mentioned employee loans for the years ended December 31, 2015, 2014 and 2013 was $86.7 million (including a $47.2 million reserve), $25.7 million and $195.0 million (including a reserve of $160.5 million recognized in connection with the Global Partnership Restructuring Program), respectively. The compensation expense related to these loans was included as part of "Compensation and employee benefits" in our consolidated statements of operations.

Goodwill

Goodwill is the excess of the purchase price over the fair value of identifiable net assets acquired in a business combination. As prescribed in FASB guidance, Goodwill and Other Intangible Assets, goodwill is not amortized, but instead is periodically tested for impairment. We review goodwill for impairment on an annual basis during the fourth quarter of each fiscal year or whenever an event occurs or circumstances change that could reduce the fair value of a reporting unit below its carrying amount.

When reviewing goodwill for impairment, we first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the results of the qualitative assessment are not conclusive, or if we choose to bypass the qualitative assessment, we perform a goodwill impairment analysis using a two-step process.

The first step involves comparing each reporting unit's estimated fair value with its carrying value, including goodwill. To estimate the fair value of the reporting units, we use a discounted cash flow model and data regarding market comparables. The valuation process requires significant judgment and involves the use of significant estimates and assumptions. These assumptions include cash flow projections, estimated cost of capital and the selection of peer companies and relevant multiples. Because significant assumptions and estimates are used in projecting future cash flows, choosing peer companies and selecting relevant multiples, actual results may differ from our estimates under different assumptions or conditions. If the estimated fair value of a reporting unit exceeds its carrying value, goodwill is deemed not to be impaired. If the carrying value exceeds estimated fair value, there is an indication of potential impairment and the second step is performed to measure the amount of potential impairment.

The second step of the process involves the calculation of an implied fair value of goodwill for each reporting unit for which step one indicated a potential impairment may exist. The implied fair value of goodwill is determined by measuring the excess of the estimated fair value of the reporting unit as calculated in step one, over the estimated fair values of the individual assets, liabilities and identified intangibles. Events such as economic weakness, significant declines in operating results of reporting units, or significant changes to critical inputs of the goodwill impairment test (e.g., estimates of cash flows or cost of capital) could cause the estimated fair value of our reporting units to decline, which could result in an impairment of goodwill in the future.

Income Taxes

We account for income taxes using the asset and liability method as prescribed in FASB guidance on Accounting for Income Taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to basis differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Certain of our entities are taxed as U.S. partnerships and are subject to the Unincorporated Business Tax ("UBT") in the City of New York. Therefore, the tax liability or benefit related to the partnership income or loss except for UBT rests with the partners (see Note 2—"Limited Partnership Interests in BGC Holdings" for a discussion of partnership interests), rather than the partnership entity. As such, the partners' tax liability or benefit is not reflected in our consolidated financial statements. The tax-related assets, liabilities, provisions or benefits included in our consolidated financial statements also reflect the results of the entities that are taxed as corporations, either in the U.S. or in foreign jurisdictions. Pursuant to FASB guidance on Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement on Accounting for Income Taxes, we provide for uncertain tax positions based upon management's assessment of whether a tax benefit is more likely than not to be sustained upon examination by tax authorities. Management is required to determine whether a tax position is more likely than not to be sustained upon examination by tax authorities, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Because significant assumptions are used in determining whether a tax benefit is more likely than not to be sustained upon examination by tax authorities, actual results may differ from our estimates under different assumptions or conditions. We recognize interest and penalties related to income tax matters in "Interest expense" and "Other expenses," respectively, in our consolidated statement of operations.

A valuation allowance is recorded against deferred tax assets if it is deemed more likely than not that those assets will not be realized. In assessing the need for a valuation allowance, we consider all available evidence, including past operating results, the existence of cumulative losses in the most recent fiscal years, estimates of future taxable income and the feasibility of tax planning strategies.

The measurement of current and deferred income tax assets and liabilities is based on provisions of enacted tax laws and involves uncertainties in the application of tax regulations in the U.S. and other tax jurisdictions. Because our interpretation of complex tax law may impact the measurement of current and deferred income taxes, actual results may differ from these estimates under different assumptions regarding the application of tax law.

See Note 3—"Summary of Significant Accounting Policies," to our consolidated financial statements in Part II, Item 8 of our Annual Report on Form 10-K for additional information regarding our significant accounting policies.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 1—"Organization and Basis of Presentation," to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for information regarding recent accounting pronouncements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Credit Risk

Credit risk arises from potential non-performance by counterparties and customers. BGC Partners has established policies and procedures to manage its exposure to credit risk. BGC Partners maintains a thorough credit approval process to limit exposure to counterparty risk and employs stringent monitoring to control the counterparty risk from its matched principal and agency businesses. BGC Partners' account opening and counterparty approval process includes verification of key customer identification, anti-money laundering verification checks and a credit review of financial and operating data. The credit review process includes establishing an internal credit rating and any other information deemed necessary to make an informed credit decision, which may include correspondence, due diligence calls and a visit to the entity's premises, as necessary.

Credit approval is granted subject to certain trading limits and may be subject to additional conditions, such as the receipt of collateral or other credit support. Ongoing credit monitoring procedures include reviewing periodic financial statements and publicly available information on the client and collecting data from credit rating agencies, where available, to assess the ongoing financial condition of the client.

Through its subsidiaries, BGC Partners executes matched principal transactions in which it acts as a "middleman" by serving as counterparty to both a buyer and a seller in matching back-to-back trades. These transactions are then settled through a recognized settlement system or third-party clearing organization. Settlement typically occurs within one to three business days after the trade date. Cash settlement of the transaction occurs upon receipt or delivery of the underlying instrument that was traded. BGC Partners generally avoids settlement of principal transactions on a free-of-payment basis or by physical delivery of the underlying instrument. However, free-of-payment transactions may occur on a very limited basis.

The number of matched principal trades BGC Partners executes has continued to grow as compared to prior years. Receivables from broker-dealers, clearing organizations, customers and related broker-dealers and Payables to broker-dealers, clearing organizations, customers and related broker-dealers on the Company's consolidated statements of financial condition primarily represent the simultaneous purchase and sale of the securities associated with those matched principal transactions that have not settled as of their stated settlement dates. BGC Partners' experience has been that substantially all of these transactions ultimately settle at the contracted amounts.

In addition, BGC Partners incurs limited credit risk related to certain brokerage activities. The counterparty risk relates to the collectability of the outstanding brokerage fee receivables. The review process includes monitoring both the clients and the related brokerage receivables. The review includes an evaluation of the ongoing collection process and an aging analysis of the brokerage receivables.

Market Risk

Market risk refers to the risk that a change in the level of one or more market prices, rates, indices or other factors will result in losses for a specified position. BGC Partners may allow certain of its desks to enter into unmatched principal transactions in the ordinary course of business and hold long and short inventory positions. These transactions are primarily for the purpose of facilitating clients' execution needs, adding liquidity to a market or attracting additional order flow. As a result, BGC Partners may have market risk exposure on these transactions. BGC Partners' exposure varies based on the size of its overall positions, the risk characteristics of the instruments held and the amount of time the positions are held before they are disposed of. BGC Partners has limited ability to track its exposure to market risk and unmatched positions on an intra-day basis; however, it attempts to mitigate its market risk on these positions by strict risk limits, extremely limited holding periods and hedging its exposure. These positions are intended to be held short term to facilitate customer transactions. However, due to a number of factors, including the nature of the position and access to the market on which it trades, BGC Partners may not be able to unwind the position and it may be forced to hold the position for a longer period than anticipated. All positions held longer than intra-day are marked to market.

We also have investments in marketable equity securities, which are publicly-traded, and which had a fair value of $650.4 million as of December 31, 2015. These include the shares of common stock of NASDAQ that we received in exchange for a portion of our electronic benchmark Treasury platform and the shares of the common stock of ICE that we received in exchange for Trayport. Investments in marketable securities carry a degree of risk, as there can be no assurance that the marketable securities will not lose value and, in general, securities markets can be volatile and unpredictable. As a result of these different market risks, our holdings of marketable securities could be materially and adversely affected. We may seek to minimize the effect of price changes on a portion of our investments in marketable securities through the use of derivative contracts. However, there can be no assurance that our hedging activities will be adequate to protect us against price risks associated with our investments in marketable securities. See Note 10—"Marketable Securities" and Note 12—"Derivatives" to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information regarding these investments and related hedging activities.

Our risk management procedures and strict limits are designed to monitor and limit the risk of unintended loss and have been effective in the past. However, there is no assurance that these procedures and limits will be effective at limiting unanticipated losses in the future. Adverse movements in the securities positions or a downturn or disruption in the markets for these positions could result in a substantial loss. In addition, principal gains and losses resulting from these positions could on occasion have a disproportionate effect, positive or negative, on BGC Partners' consolidated financial condition and results of operations for any particular reporting period.

Operational Risk

Our businesses are highly dependent on our ability to process a large number of transactions across numerous and diverse markets in many currencies on a daily basis. If any of our data processing systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes, people or systems, we could suffer impairment to our liquidity, financial loss, a disruption of our businesses, liability to clients, regulatory intervention or reputational damage. These systems may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, including cybersecurity incidents, a disruption of electrical or communications services or our inability to occupy one or more of our buildings. The inability of our systems to accommodate an increasing volume of transactions could also constrain our ability to expand our businesses.

In addition, despite our contingency plans, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the communities in which they are located. This may include a disruption involving electrical, communications, transportation or other services used by us or third parties with whom we conduct business.

Foreign Currency Risk

BGC Partners is exposed to risks associated with changes in foreign exchange rates. Changes in foreign exchange rates create volatility in the U.S. Dollar equivalent of the Company's revenues and expenses. In addition, changes in the remeasurement of BGC Partners' foreign currency denominated financial assets and liabilities are recorded as part of its results of operations and fluctuate with changes in foreign currency rates. BGC monitors the net exposure in foreign currencies on a daily basis and hedges its exposure as deemed appropriate with highly rated major financial institutions.

The majority of the Company's foreign currency exposure is related to the U.S. Dollar versus the British Pound and the Euro. While our international results of operations, as measured in U.S. Dollars, are subject to foreign exchange fluctuations, we do not consider the related risk to be material to our results of operations. For the financial assets and liabilities denominated in the British Pound and Euro, including foreign currency hedge positions related to these currencies, we evaluated the effects of a 10% shift in exchange rates between those currencies and the U.S. Dollar, holding all other assumptions constant. The analysis identified the worst case scenario as both the Euro and British Pound strengthening against the U.S. Dollar. If as of December 31, 2015, the Euro and British Pound had strengthened against the U.S. Dollar by 10%, the currency movements would have had an aggregate negative impact on our net income of approximately $0.5 million.

Interest Rate Risk

BGC Partners had $840.9 million in fixed-rate debt outstanding as of December 31, 2015. These debt obligations are not currently subject to fluctuations in interest rates, although in the event of refinancing or issuance of new debt, such debt could be subject to changes in interest rates.

Table of Contents

ITEM 8. FINANCIAL STATEMENTS

BGC Partners, Inc. and Subsidiaries

Consolidated Financial Statements for the years ended December 31, 2015, 2014 and 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of BGC Partners, Inc.:

We have audited the accompanying consolidated statements of financial condition of BGC Partners, Inc. (the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, cash flows and changes in equity for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedule listed in the Index at Item 15(a)(2). These consolidated financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of BGC Partners, Inc. at December 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), BGC Partners Inc.'s internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 29, 2016 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

New York, New York
February 29, 2016

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of BGC Partners, Inc.:

We have audited BGC Partners, Inc.'s (the "Company") internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), (the COSO criteria). BGC Partners, Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Computerized Facility Integration, LLC and Excess Space Retail Services, Inc., which are included in the 2015 consolidated financial statements of BGC Partners, Inc. and constituted $97.6 million or 2.5% of total assets as of December 31, 2015 and $18.6 million or 0.7% of revenues for the year then ended. Our audit of internal control over financial reporting of BGC Partners, Inc. also did not include an evaluation of the internal control over financial reporting of Computerized Facility Integration, LLC and Excess Space Retail Services, Inc. In our opinion, BGC Partners Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of financial condition of BGC Partners, Inc. as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, cash flows and changes in equity for each of the three years in the period ended December 31, 2015 of BGC Partners. Inc. and our report dated February 29, 2016 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

New York, New York
February 29, 2016

Table of Contents

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(in thousands, except per share data)

	December 31, 2015	December 31, 2014
Assets		
Cash and cash equivalents	$ 461,207	$ 648,277
Cash segregated under regulatory requirements	3,199	12,144
Securities owned	32,361	32,508
Securities borrowed	—	62,736
Marketable securities	650,400	144,719
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers	812,240	640,761
Accrued commissions receivable, net	342,299	292,050
Loans, forgivable loans and other receivables from employees and partners, net	158,176	130,775
Fixed assets, net	145,873	112,020
Investments	33,813	17,392
Goodwill	811,766	392,570
Other intangible assets, net	233,967	27,980
Receivables from related parties	15,466	8,864
Other assets	290,687	228,331
Total assets	$ 3,991,454	$ 2,751,127
Liabilities, Redeemable Partnership Interest, and Equity		
Securities loaned	$ 117,890	$ —
Accrued compensation	303,959	231,679
Payables to broker-dealers, clearing organizations, customers and related broker-dealers	714,823	646,169
Payables to related parties	21,551	23,326
Accounts payable, accrued and other liabilities	692,639	501,830
Notes payable and collateralized borrowings	840,877	556,700
Notes payable to related parties	—	150,000
Total liabilities	2,691,739	2,109,704
Commitments and contingencies (Note 20)		
Redeemable partnership interest	57,145	59,501
Equity		
Stockholders' equity:		
Class A common stock, par value $0.01 per share; 500,000 shares authorized; 255,859 and 220,217 shares issued at December 31, 2015 and December 31, 2014, respectively; and 219,063 and 185,108 shares outstanding at December 31, 2015 and December 31, 2014, respectively	2,559	2,202
Class B common stock, par value $0.01 per share; 100,000 shares authorized; 34,848 shares issued and outstanding at December 31, 2015 and December 31, 2014, convertible into Class A common stock	348	348
Additional paid-in capital	1,109,000	817,158
Contingent Class A common stock	50,095	47,383
Treasury stock, at cost: 36,796 and 35,109 shares of Class A common stock at December 31, 2015 and December 31, 2014, respectively	(212,331)	(200,958)
Retained deficit	(273,492)	(268,920)
Accumulated other comprehensive (loss) income	(25,056)	4,303
Total stockholders' equity	651,123	401,516
Noncontrolling interest in subsidiaries	591,447	180,406
Total equity	1,242,570	581,922
Total liabilities, redeemable partnership interest, and equity	$ 3,991,454	$ 2,751,127

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Year Ended December 31,		
	2015	2014	2013
Revenues:			
Commissions	$1,934,128	$1,307,912	$1,202,244
Principal transactions	313,142	253,951	309,908
Real estate management services	187,118	163,227	163,353
Fees from related parties	25,348	28,379	41,128
Market data and software solutions	95,101	9,477	16,338
Interest income	10,643	7,312	6,833
Other revenues	9,957	17,232	5,177
Total revenues	2,575,437	1,787,490	1,744,981
Expenses:			
Compensation and employee benefits	1,694,956	1,121,075	1,255,580
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	259,639	136,633	423,589
Total compensation and employee benefits	1,954,595	1,257,708	1,679,169
Occupancy and equipment	211,717	147,435	154,108
Fees to related parties	18,043	12,137	9,443
Professional and consulting fees	62,768	51,823	51,384
Communications	119,181	82,493	92,022
Selling and promotion	97,201	71,737	81,007
Commissions and floor brokerage	35,094	19,349	22,530
Interest expense	69,359	37,945	38,332
Other expenses	138,043	150,857	104,170
Total expenses	2,706,001	1,831,484	2,232,165
Other income (losses), net:			
Gain on divestiture and sale of investments	394,347	—	723,147
Gains (losses) on equity method investments	1,863	(8,621)	(9,508)
Other income	123,168	49,427	39,466
Total other income (losses), net	519,378	40,806	753,105
Income (loss) from operations before income taxes	388,814	(3,188)	265,921
Provision for income taxes	120,496	651	92,166
Consolidated net income (loss)	$ 268,318	$ (3,839)	$ 173,755
Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	141,530	(7,974)	102,831
Net income available to common stockholders	$ 126,788	$ 4,135	$ 70,924
Per share data:			
Basic earnings per share			
Net income available to common stockholders	$ 126,788	$ 4,135	$ 70,924
Basic earnings per share	$ 0.52	$ 0.02	$ 0.37
Basic weighted-average shares of common stock outstanding	243,460	220,697	193,694
Fully diluted earnings per share			
Net income for fully diluted shares	$ 168,521	$ 5,692	$ 96,851
Fully diluted earnings per share	$ 0.50	$ 0.02	$ 0.36
Fully diluted weighted-average shares of common stock outstanding	335,387	328,455	265,348
Dividends declared per share of common stock	$ 0.54	$ 0.48	$ 0.48
Dividends declared and paid per share of common stock	$ 0.54	$ 0.48	$ 0.48

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year Ended December 31,		
	2015	2014	2013
Consolidated net income (loss)	$268,318	$ (3,839)	$173,755
Other comprehensive (loss) income, net of tax:			
Foreign currency translation adjustments	(15,421)	(6,958)	(2,193)
Available for sale securities	(17,814)	19,259	2
Total other comprehensive (loss) income, net of tax	(33,235)	12,301	(2,191)
Comprehensive income	235,083	8,462	171,564
Less: Comprehensive income (loss) attributable to noncontrolling interest in subsidiaries, net of tax	137,654	(6,036)	102,518
Comprehensive income attributable to common stockholders	$ 97,429	$14,498	$ 69,046

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2015	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:			
Consolidated net income (loss)	$ 268,318	$ (3,839)	$ 173,755
Adjustments to reconcile consolidated net income to net cash provided by operating activities:			
Fixed asset depreciation and intangible asset amortization	81,997	44,747	47,152
Employee loan amortization and reserves on employee loans	86,708	25,708	194,996
Equity-based compensation and allocations of net income to limited partnership units and FPUs	278,684	150,125	433,998
Deferred compensation expense	23,189	—	—
(Gains) losses on equity method investments	(1,863)	8,621	9,508
Accretion of discount on convertible notes	5,835	4,852	5,157
Unrealized (gain) loss on marketable securities	(27,103)	(8,633)	(7,668)
Impairment of fixed assets	19,127	4,193	6,101
Deferred tax provision (benefit)	60,015	(26,185)	(81,989)
Sublease provision adjustment	2,019	31	318
Recognition of earn-out and related hedges	(52,917)	(42,091)	(31,861)
Cumulative realized gain on marketable securities (see Note 10 – “Marketable Securities”)	(35,994)	—	—
Gain on divestitures and sale of investments	(401,902)	—	(550,759)
Forfeitures of Class A common stock	(1,701)	(2,452)	—
Other	(5,491)	—	1,508
Consolidated net income, adjusted for non-cash and non-operating items	298,921	155,077	200,216
Decrease (increase) in operating assets:			
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers	538,881	(292,065)	(51,710)
Loans, forgivable loans and other receivables from employees and partners, net	(100,691)	(13,616)	(49,478)
Accrued commissions receivable, net	27,550	7,265	(49,542)
Securities borrowed	62,736	(62,736)	—
Securities owned	4,248	611	(1,213)
Receivables from related parties	(3,291)	(1,096)	(5,362)
Cash segregated under regulatory requirements	9,104	(3,457)	(5,295)
Other assets	25,686	(25,350)	(73,422)
Increase (decrease) in operating liabilities:			
Payables to broker-dealers, clearing organizations, customers and related broker-dealers	(577,136)	342,998	48,973
Payables to related parties	(1,065)	8,745	(24,862)
Securities sold, not yet purchased	(1,545)	(2,031)	2,031
Securities loaned	117,890	—	—
Accounts payable, accrued and other liabilities	(87,764)	51,832	145,167
Accrued compensation	(100,660)	17,366	30,863
Net cash provided by operating activities	212,864	183,543	166,366
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of fixed assets	(37,626)	(13,727)	(22,988)
Capitalization of software development costs	(18,496)	(12,668)	(15,000)
Purchase of equity method investments	(1,268)	(7,392)	(1,748)
Proceeds from sale of marketable securities	129,183	42,999	—
Payments for acquisitions, net of cash acquired	(173,072)	(129,979)	(746)
Proceeds from divestitures, net	14,485	—	575,287
Purchase of marketable securities	(11,630)	(72,911)	(5,361)
Purchase of exchange membership	—	—	(1,696)
Capitalization of trademarks, patent defense and registration costs	(845)	(578)	(995)
Net cash (used in) provided by investing activities	(99,269)	(194,256)	526,753

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS—(Continued)
(in thousands)

	Year Ended December 31,		
	2015	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayments of collateralized borrowings	(4,976)	(1,599)	(48,246)
Issuance of collateralized borrowings, net of deferred issuance costs	27,918	295,091	—
Earnings distributions	(73,765)	(58,789)	(98,345)
Redemption and repurchase of limited partnership interests	(34,287)	(81,331)	(113,345)
Dividends to stockholders	(131,360)	(105,132)	(91,395)
Repurchase of Class A common stock	(12,114)	(100,268)	(15,528)
Cancellation of restricted stock units in satisfaction of withholding tax requirements	(615)	(1,208)	(1,216)
Tax impact on delivery of equity awards	—	—	4,700
Proceeds from exercise of stock options	701	—	—
Proceeds from short-term borrowings	100,000	—	—
Repayments of short-term borrowings	(170,000)	—	—
Proceeds from sale of limited partnership interests	6,573	—	—
Other	—	—	32
Net cash used in financing activities	(291,925)	(53,236)	(363,343)
Effect of exchange rate changes on cash and cash equivalents	(8,740)	(4,693)	(1,266)
Net (decrease) increase in cash and cash equivalents	(187,070)	(68,642)	328,510
Cash and cash equivalents at beginning of period	648,277	716,919	388,409
Cash and cash equivalents at end of period	$ 461,207	$ 648,277	$ 716,919
Supplemental cash information:			
Cash paid during the period for taxes	$ 43,661	$ 87,928	$ 152,105
Cash paid during the period for interest	59,281	32,099	33,175
Supplemental non-cash information:			
Issuance of Class A common stock upon exchange of limited partnership interests	$ 79,309	$ 87,212	$ 65,908
Issuance of Class A, contingent Class A common stock and limited partnership interests for acquisitions	39,635	57,907	1,776
Issuance of Class A common stock upon conversion of 8.75% convertible notes	150,000	—	—
Donations with respect to Charity Day	—	—	5,720
Shares received for NASDAQ earn-out	52,917	42,091	31,861
Shares received in Trayport transaction	629,084	—	—

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Year Ended December 31, 2013
(in thousands, except share amounts)

	BGC Partners, Inc. Stockholders								
	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Contingent Class A Common Stock	Treasury Stock	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Subsidiaries	Total
Balance, January 1, 2013	$ 1,419	$ 348	$ 575,381	$ 18,868	$(110,090)	$(147,452)	$ (4,182)	$ 93,120	$427,412
Consolidated net income	—	—	—	—	—	70,924	—	102,831	173,755
Other comprehensive loss, net of tax	—	—	—	—	—		(1,878)	(313)	(2,191)
Equity-based compensation, 909,407 shares	9	—	2,809	—	—		—	1,800	4,618
Dividends to common stockholders	—	—	—	—	—	(91,395)	—	—	(91,395)
Earnings distributions to limited partnership interests and other noncontrolling interests	—	—	—	—	—	—	—	(89,482)	(89,482)
Grant of exchangeability and redemption of limited partnership interests, issuance of 55,953,246 shares	560	—	151,551	—	—	—	—	141,821	293,932
Issuance of Class A common stock (net of costs), 1,053,842 shares	11	—	4,133	—	—	—	—	1,865	6,009
Redemption of FPUs, 1,373,065 units	—	—	—	—	—	—	—	(2,050)	(2,050)
Repurchase of Class A common stock, 3,046,857 shares	—	—	—	—	(11,663)	—	—	(3,865)	(15,528)
Re-allocation of equity due to additional investment by founding/working partners	—	—	—	—	—	—	—	(938)	(938)
Issuance of contingent and Class A common stock for acquisitions, 2,799,604 shares	27	—	9,493	(6,817)	—	—	—	(927)	1,776
Purchases of Newmark noncontrolling interest	—	—	(2,540)	—	—	—	—	(6,827)	(9,367)
Other	1	—	4,851	—	—	—	—	1,344	6,196
Balance, December 31, 2013	$ 2,027	$ 348	$ 745,678	$ 12,051	$(121,753)	$(167,923)	$ (6,060)	$ 238,379	$702,747

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Year Ended December 31, 2014
(in thousands, except share amounts)

	BGC Partners, Inc. Stockholders								
	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Contingent Class A Common Stock	Treasury Stock	Retained Deficit	Accumulated Other Comprehensive Income (loss)	Noncontrolling Interest in Subsidiaries	Total
Balance, January 1, 2014	$ 2,027	$ 348	$ 745,678	$ 12,051	$(121,753)	$(167,923)	$ (6,060)	$ 238,379	$ 702,747
Consolidated net income	—	—	—	—	—	4,135	—	(7,974)	(3,839)
Other comprehensive gain, net of tax	—	—	—	—	—	—	10,363	1,938	12,301
Equity-based compensation, 987,831 shares	10	—	2,275	—	—	—	—	1,047	3,332
Dividends to common stockholders	—	—	—	—	—	(105,132)	—	—	(105,132)
Earnings distributions to limited partnership interests and other noncontrolling interests	—	—	—	—	—	—	—	(55,821)	(55,821)
Grant of exchangeability and redemption of limited partnership interests, issuance of 11,899,558 shares	119	—	59,207	—	—	—	—	30,741	90,067
Issuance of Class A common stock (net of costs), 47,896 shares	—	—	275	—	—	—	—	86	361
Redemption of FPUs, 2,494,896 units	—	—	—	—	—	—	—	(2,359)	(2,359)
Repurchase of Class A common stock, 13,630,725 shares	—	—	5	—	(76,322)	—	—	(23,951)	(100,268)
Forfeitures of restricted Class A common stock, 389,861 shares			1,006		(2,883)			(575)	(2,452)
Cantor purchase of Cantor units from BGC Holdings upon redemption of founding/working partner units and subsequent repurchases by BGC Holdings, 3,142,257 units	—	—	—	—	—	—	—	(13,716)	(13,716)
Re-allocation of equity due to additional investment by founding/working partners	—	—	—	—	—	—	—	(110)	(110)
Issuance of Class A common stock for acquisitions, 1,912,630 shares	19	—	8,976	(3,635)	—	—	—	1,640	7,000
Issuance of contingent shares and limited partnership interests in connection with acquisitions	—	—	—	38,967	—	—	—	11,940	50,907
Purchases of Newmark noncontrolling interest	—	—	(234)	—	—	—	—	(169)	(403)
Other	27	—	(30)	—	—	—	—	(690)	(693)
Balance, December 31, 2014	$ 2,202	$ 348	$ 817,158	$ 47,383	$(200,958)	$(268,920)	$ 4,303	$ 180,406	$ 581,922

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Year Ended December 31, 2015
(in thousands, except share amounts)

	BGC Partners, Inc. Stockholders								
	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Contingent Class A Common Stock	Treasury Stock	Retained Deficit	Accumulated Other Comprehensive Income (loss)	Noncontrolling Interest in Subsidiaries	Total
Balance, January 1, 2015	$ 2,202	$ 348	$ 817,158	$ 47,383	$(200,958)	$(268,920)	$ 4,303	$ 180,406	$ 581,922
Consolidated net income	—	—	—	—	—	126,788	—	141,530	268,318
Other comprehensive gain, net of tax	—	—	—	—	—	—	(29,359)	(3,876)	(33,235)
Equity-based compensation, 825,996 shares	8	—	2,909	—	—	—	—	1,454	4,371
Dividends to common stockholders	—	—	—	—	—	(131,360)	—	—	(131,360)
Earnings distributions to limited partnership interests and other noncontrolling interests	—	—	—	—	—	—	—	(70,538)	(70,538)
Grant of exchangeability and redemption of limited partnership interests, issuance of 9,445,664 shares	94	—	141,262	—	—	—	—	75,684	217,040
Issuance of Class A common stock (net of costs), 129,151 shares	1	—	860	—	—	—	—	247	1,108
Redemption of FPUs, 539,275 units	—	—	—	—	—	—	—	(835)	(835)
Repurchase of Class A common stock, 1,416,991 shares	—	—	—	—	(9,371)	—	—	(2,743)	(12,114)
Forfeitures of restricted Class A common stock, 270,422 shares	—	—	688	—	(2,002)	—	—	(387)	(1,701)
Cantor purchase of Cantor units from BGC Holdings upon redemption of founding/working partner units, 1,775,481 units	—	—	—	—	—	—	—	6,573	6,573
Re-allocation of equity due to additional investment by founding/working partners	—	—	—	—	—	—	—	(80)	(80)
Issuance of Class A common stock for acquisitions, 1,199,052 shares	12	—	5,112	(4,579)	—	—	—	—	545
Issuance of contingent shares and limited partnership interests in connection with acquisitions	—	—	23,104	7,291	—	—	—	8,695	39,090
Conversion of 8.75% Convertible Notes to Class A common stock, 24,042,599 shares	240	—	117,178	—	—	—		32,582	150,000
Reclassification of Redeemable noncontrolling interest to noncontrolling interest for GFI Back-End Merger	—	—	—	—	—	—	—	222,148	222,148
Purchases of Newmark noncontrolling interest	—	—	731	—	—	—	—	(1,219)	(488)
Other	2	—	(2)	—	—	—		1,806	1,806
Balance, December 31, 2015	$ 2,559	$ 348	$1,109,000	$ 50,095	$(212,331)	$(273,492)	$ (25,056)	$ 591,447	$1,242,570

The accompanying Notes to the Consolidated Financial Statements are an integral part of these financial statements.

BGC PARTNERS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Basis of Presentation

Business Overview

BGC Partners, Inc. (together with its subsidiaries, "BGC Partners," "BGC" or the "Company") is a leading global brokerage company servicing the financial and real estate markets through its two segments, Financial Services and Real Estate Services. Through its brands, including BGC ® , GFI ® and RP Martin ™ , among others, the Company's Financial Services segment specializes in the brokerage of a broad range of products, including fixed income (rates and credit), foreign exchange, equities, energy and commodities, and futures. It also provides a wide range of services, including trade execution, broker-dealer services, clearing, processing, information, and other back-office services to a broad range of financial and non-financial institutions. BGC Partners' integrated platform is designed to provide flexibility to customers with regard to price discovery, execution and processing of transactions, and enables them to use voice, hybrid, or in many markets, fully electronic brokerage services in connection with transactions executed either over-the-counter ("OTC") or through an exchange. Through its FENICS ® , BGC Trader™, BGC Market Data and Capitalab ® brands, BGC Partners offers fully electronic brokerage, financial technology solutions, market data, post-trade services and analytics related to select financial instruments and markets.

Newmark Grubb Knight Frank ("NGKF") is a full-service commercial real estate platform that comprises the Company's Real Estate Services segment, offering commercial real estate tenants, owners, investors and developers a wide range of services, including leasing and corporate advisory, investment sales and real estate finance, consulting, project and development management, and property and facilities management.

On February 26, 2015, the Company successfully completed a tender offer to acquire shares of common stock, par value $0.01 per share, of GFI Group Inc. ("GFI") for $6.10 per share in cash and accepted for purchase 54.3 million shares (the "Tendered Shares") tendered to the Company pursuant to our offer (the "Offer"). The Tendered Shares, together with the 17.1 million shares already owned by the Company, represented approximately 56% of GFI's outstanding shares. On April 28, 2015, a subsidiary of BGC purchased approximately 43.0 million newly issued shares of GFI's common stock at the price of $5.81 per share for an aggregate purchase price of $250 million, which increased our ownership in GFI to approximately 67.0%. The purchase price was paid to GFI in the form of a note due on June 19, 2018 that bore an interest rate of LIBOR plus 200 basis points.

On January 12, 2016, the Company, Jersey Partners, Inc. ("JPI"), New JP Inc. ("New JPI"), Michael A. Gooch, Colin Heffron, and certain subsidiaries of JPI and the Company closed on a previously agreed upon merger. This merger provided for the acquisition of JPI by BGC (the "JPI Merger") as provided for by a merger agreement dated December 22, 2015 (the "Merger Agreement"). Shortly following the completion of the JPI Merger, a subsidiary of the Company merged with and into GFI pursuant to a short-form merger under Delaware law, with GFI continuing as the surviving entity (the "GFI Merger" and, together with the JPI Merger, the "Back-End Mergers"). The Back-End Mergers allowed the Company to acquire the remaining approximately 33 percent of the outstanding shares of GFI common stock that it did not already own. Following the closing of the Back-End Mergers, the Company and its affiliates now own 100 percent of the outstanding shares of GFI's common stock (See Note 25—"Subsequent Events").

GFI is a leading intermediary and provider of trading technologies and support services to the global OTC and listed markets. GFI serves more than 2,500 institutional clients in operating electronic and hybrid markets for cash and derivative products across multiple asset classes.

The Company's customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers and investment firms. BGC Partners has offices in dozens of major markets, including New York and London, as well as in Atlanta, Beijing, Boston, Charlotte, Chicago, Copenhagen, Dallas, Denver, Dubai, Hong Kong, Houston, Istanbul, Johannesburg, Los Angeles, Mexico City, Miami, Moscow, Nyon, Paris, Philadelphia, Rio de Janeiro, San Francisco, Santa Clara, São Paulo, Seoul, Shanghai, Singapore, Sydney, Tokyo, Toronto, Washington, D.C. and Zurich, as well as over 50 other offices.

Basis of Presentation

The Company's consolidated financial statements have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") and in conformity with accounting principles generally accepted in the U.S. ("U.S. GAAP"). The Company's consolidated financial statements include the Company's accounts and all subsidiaries in which the Company has a controlling interest. Intercompany balances and transactions have been eliminated in consolidation. Certain reclassifications have been made to previously reported amounts to conform to the current presentation.

During the year ended December 31, 2014, the Company changed the presentation of certain line items in the consolidated statements of operations. The Company now presents a new section entitled “Other income (losses), net” which is comprised of Gain on divestiture and sale of investments, Gains (losses) on equity method investments and Other income. Gain on divestiture and sale of investments and Gains (losses) on equity method investments were both previously presented as separate revenue line items. During the year ended December 31, 2015, the Company changed the presentation of certain line items in its consolidated statements of operations. The Company combined “Market data” and “Software solutions” into one line item “Market data and software solutions.” Reclassifications have been made to previously reported amounts to conform to the current presentation.

The consolidated financial statements contain all normal and recurring adjustments that, in the opinion of management, are necessary for a fair presentation of the consolidated statements of financial condition, the consolidated statements of operations, the consolidated statements of comprehensive income, the consolidated statements of cash flows and the consolidated statements of changes in equity of the Company for the periods presented.

Recent Accounting Pronouncements

In April 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-08, Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity, which amends the requirements for reporting discontinued operations in ASC 205-20. The ASU includes changes in the criteria and required disclosures for disposals qualifying as discontinued operations, as well as additional required disclosures for disposals not considered discontinued operations. The amendments in this update were effective for the annual period beginning on January 1, 2015 for the Company. The adoption of this FASB guidance did not have a material impact on the Company's consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which relates to how an entity recognizes the revenue it expects to be entitled to for the transfer of promised goods and services to customers. The ASU will replace certain existing revenue recognition guidance. The guidance, as stated in ASU No. 2014-09, was initially effective beginning on January 1, 2018. In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers—Deferral of Effective Date, which defers the effective date by one year, with early adoption on the original effective date permitted. The standard permits the use of either the retrospective or cumulative effect transition method. Management is currently evaluating the impact of the future adoption of the ASU on the Company's consolidated financial statements.

In August 2014, the FASB issued ASU No. 2014-15, Presentation of Financial Statements—Going Concern, which relates to disclosure of uncertainties about an entity's ability to continue as a going concern. The ASU provides additional guidance on management's responsibility to evaluate the condition of an entity and the required disclosures based on this assessment. The amendments in this update are effective for the annual period ending after December 15, 2016, and early application is permitted. The adoption of this FASB guidance would not impact the Company's consolidated financial statements.

In February 2015, the FASB issued ASU No. 2015-02, Consolidation (Topic 810): Amendments to the Consolidation Analysis. The amendment eliminates the deferral of certain consolidation standards for entities considered to be investment companies and modifies the consolidation analysis performed on certain types of legal entities. The guidance is effective beginning January 1, 2017 and early adoption is permitted. Management is currently evaluating the impact of the new guidance on the Company's consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-03, Interest—Imputation of Interest, which relates to simplifying the presentation of debt issuance costs. The ASU requires that debt issuance costs related to a recognized liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The amendments in this update are effective for the annual period beginning January 1, 2016 for the Company, and early adoption is permitted. The adoption of this FASB guidance would not impact the Company's consolidated financial statements.

In September 2015, the FASB issued ASU No. 2015-16, Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments. This ASU requires adjustments to provisional amounts that are identified during the measurement period of a business combination to be recognized in the reporting period in which the adjustment amounts are determined. Acquirers are no longer required to revise comparative information for prior periods as if the accounting for the business combination had been completed as of the acquisition date. The guidance is effective beginning January 1, 2016, with early adoption permitted. The adoption of this FASB guidance would not have a material impact on the Company's consolidated financial statements.

In January 2016, the FASB issued ASU No. 2016-01, Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. This ASU requires entities to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income unless the investments qualify for the new practicability exception. Entities will also have to record changes in instrument-specific credit risk for financial liabilities measured under the fair value option in other comprehensive income. In addition, entities will be required to present enhanced disclosures of financial assets and financial liabilities. The guidance is effective beginning January 1, 2018, with early adoption of certain provisions of the ASU permitted. Management is currently evaluating the impact of the new guidance on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This ASU requires lessees to recognize a right-of-use asset and lease liability for all leases with terms of more than 12 months. Recognition, measurement and presentation of expenses will depend on classification as a finance or operating lease. The amendments also require certain quantitative and qualitative disclosures. Accounting guidance for lessors is largely unchanged. The guidance is effective beginning January 1, 2019, with early adoption permitted. Management is currently evaluating the impact of the new guidance on the Company's consolidated financial statements.

2. Limited Partnership Interests in BGC Holdings

BGC Holdings, L.P. ("BGC Holdings") is a consolidated subsidiary of the Company for which the Company is the general partner. The Company and BGC Holdings jointly own BGC Partners, L.P. ("BGC US") and BGC Global Holdings L.P. ("BGC Global"), the two operating partnerships. Listed below are the limited partnership interests in BGC Holdings. The founding/working partner units, limited partnership units and limited partnership interests held by Cantor Fitzgerald, L.P. ("Cantor") ("Cantor units"), each as described below, collectively represent all of the "limited partnership interests" in BGC Holdings.

Founding/Working Partner Units

Founding/working partners have a limited partnership interest in BGC Holdings. The Company accounts for founding/working partner units ("FPUs") outside of permanent capital, as "Redeemable partnership interest," in the Company's consolidated statements of financial condition. This classification is applicable to founding/working partner units because these units are redeemable upon termination of a partner, including a termination of employment, which can be at the option of the partner and not within the control of the issuer.

Founding/working partner units are held by limited partners who are employees and generally receive quarterly allocations of net income. Upon termination of employment or otherwise ceasing to provide substantive services, the founding/working partner units are generally redeemed, and the unit holders are no longer entitled to participate in the quarterly allocations of net income. Since these allocations of net income are cash distributed on a quarterly basis and are contingent upon services being provided by the unit holder, they are reflected as a component of compensation expense under "Allocations of net income and grant of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations.

Limited Partnership Units

Certain employees hold limited partnership interests in BGC Holdings (e.g., REUs, RPUs, PSUs, PSIs and LPUs, collectively the "limited partnership units"). Generally, such units receive quarterly allocations of net income, which are cash distributed and generally are contingent upon services being provided by the unit holders. As prescribed in FASB guidance, the quarterly allocations of net income on such limited partnership units are reflected as a component of compensation expense under "Allocations of net income and grant of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations. From time to time the Company issues limited partnership units as part of the consideration for acquisitions; these units are not entitled to a distribution of earnings.

Certain of these limited partnership units entitle the holders to receive post-termination payments equal to the notional amount of the units in four equal yearly installments after the holder's termination. These limited partnership units are accounted for as post-termination liability awards, and in accordance with FASB guidance, the Company records compensation expense for the awards based on the change in value at each reporting date in the Company's consolidated statements of operations as part of "Compensation and employee benefits."

The Company has also awarded certain preferred partnership units ("Preferred Units"). Each quarter, the net profits of BGC Holdings are allocated to such units at a rate of either 0.6875% (which is 2.75% per calendar year) or such other amount as set forth in the award documentation (the "Preferred Distribution"). These allocations are deducted before the calculation and distribution of the quarterly partnership distribution for the remaining partnership units and are generally contingent upon services being provided by the unit holder. The Preferred Units are not entitled to participate in partnership distributions other than with respect to the Preferred Distribution. Preferred Units may not be made exchangeable into the Company's Class A common stock and are only entitled to the Preferred Distribution, and accordingly they are not included in the Company's fully diluted share count. The quarterly allocations of net income on Preferred Units are reflected in compensation expense under "Allocations of net income and grant of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations. After deduction of the Preferred Distribution, the remaining partnership units generally receive quarterly allocations of net income based on their weighted-average pro rata share of economic ownership of the operating subsidiaries.

Cantor Units

Cantor units are reflected as a component of "Noncontrolling interest in subsidiaries" in the Company's consolidated statements of financial condition. Cantor receives allocations of net income, which are cash distributed on a quarterly basis and are reflected as a component of "Net income attributable to noncontrolling interest in subsidiaries" in the Company's consolidated statements of operations.

General

Certain of the limited partnership interests, described above, have been granted exchangeability into Class A common stock on a one-for-one basis (subject to adjustment); additional limited partnership interests may become exchangeable for Class A common stock on a one-for-one basis (subject to adjustment). Because they are included in the Company's fully diluted share count, if dilutive, any exchange of limited partnership interests into Class A common shares would not impact the fully diluted number of shares and units outstanding. Because these limited partnership interests generally receive quarterly allocations of net income, such exchange would have no significant impact on the cash flows or equity of the Company. Each quarter, net income is allocated between the limited partnership interests and the common stockholders. In quarterly periods in which the Company has a net loss, the loss allocation for FPUs, limited partnership units and Cantor units is allocated to Cantor and reflected as a component of "Net income attributable to noncontrolling interest in subsidiaries" in the Company's consolidated statements of operations. In subsequent quarters in which the Company has net income, the initial allocation of income to the limited partnership interests is to "Net income attributable to noncontrolling interests in subsidiaries," to recover any losses taken in earlier quarters, with the remaining income allocated to the limited partnership interests. This income (loss) allocation process has no impact on the net income allocated to common stockholders.

3. Summary of Significant Accounting Policies

Use of Estimates:

The preparation of the Company's consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities in these consolidated financial statements. Management believes that the estimates utilized in preparing these consolidated financial statements are reasonable. Estimates, by their nature, are based on judgment and available information. Actual results could differ materially from the estimates included in the Company's consolidated financial statements. Certain reclassifications have been made to previously reported amounts to conform to the current presentation.

Revenue Recognition:

BGC Partners derives its revenues primarily through commissions from brokerage services, the spread between the buy and sell prices on matched principal transactions, revenues from real estate management services, fees from related parties, fees from certain information products, fees for the provision of certain software solutions and other revenues.

Commissions:

BGC Partners derives its commission revenue from securities, commodities and real estate brokerage transactions. Commission revenues from securities and commodities agency brokerage transactions, whereby the Company connects buyers and sellers in the OTC and exchange markets and assists in the negotiation of the price and other material terms of transactions, are recognized on a trade-date basis along with related expenses. Commissions are recognized when earned. With respect to real estate commissions, the existence of future contingencies, if any, results in the postponement of revenue recognition until the contingencies are satisfied.

Principal Transactions:

Principal transaction revenues are primarily derived from matched principal transactions, whereby the Company simultaneously agrees to buy securities from one customer and sell them to another customer. A very limited number of trading businesses are allowed to enter into unmatched principal transactions to facilitate a customer's execution needs for transactions initiated by such customers. Revenues earned from principal transactions represent the spread between the buy and sell price of the brokered security, commodity or derivative. Principal transaction revenues and related expenses are recognized on a trade-date basis. Positions held as part of a principal transaction are marked-to-market on a daily basis.

Real Estate Management Services:

Real estate management services revenues include property management, facilities management and project management. Management fees are recognized at the time the related services have been performed, unless future contingencies exist. In addition, in regard to management and facility service contracts, the owner of the property will typically reimburse the Company for certain expenses that are incurred on behalf of the owner, which are comprised primarily of on-site employee salaries and related benefit costs. The amounts which are to be reimbursed per the terms of the services contract are recognized as revenue in the same period as the related expenses are incurred. In certain instances, the Company subcontracts property management services to independent property managers, in which case the Company passes a portion of their property management fee on to the subcontractor, and the Company retains the balance. Accordingly, the Company records these fees net of the amounts paid to subcontractors.

Fees from Related Parties:

Fees from related parties consist of charges for back-office services provided to Cantor and its affiliates, including occupancy of office space, utilization of fixed assets, accounting, operations, human resources and legal services and information technology. Revenues are recognized as earned on an accrual basis.

Market Data:

Market data revenues primarily consist of subscription fees and fees from customized one-time sales provided to customers either directly or through third-party vendors. Market data revenues are recognized ratably over the contract term, except for revenues derived from customized one-time sales, which are recognized as services are rendered.

Software Solutions and Licensing Fees:

Through the Company's software solutions business, the Company receives fees for providing customized software to broaden distribution capabilities and provide electronic solutions to financial market participants. Such fees are recognized as income ratably over the license period.

Other Revenues:

Other revenues are earned from various sources including underwriting fees and litigation settlements.

Other Income (Losses), Net

Gain on Divestiture and Sale of Investments:

Gain on Divestiture and Sale of Investments is comprised of gains recorded in connection with the divestiture of certain businesses or sale of investments (see Note 5—"Divestitures").

Gains (Losses) on Equity Method Investments:

Gains (Losses) on Equity Method Investments represent our pro rata share of the net gains or losses on investments over which we have significant influence but do not control.

Other Income:

Other income is comprised of gains associated with the earn-out shares related to the NASDAQ Transaction and the movements related to the mark-to-market and/or hedges on marketable securities that are classified as trading securities (see Note 5—"Divestitures").

Segments:

The Company divides its business into segments in accordance with the accounting guidance for segment reporting. The Company's operations consist of two reportable segments, Financial Services and Real Estate Services.

Cash and Cash Equivalents:

The Company considers all highly liquid investments with original maturities of 90 days or less at the date of acquisition that are not segregated under regulatory requirements, other than those used for trading purposes, to be cash equivalents. Cash and cash equivalents include money market funds, deposits with banks, certificates of deposit, commercial paper, and treasury securities.

Cash Segregated Under Regulatory Requirements:

Cash segregated under regulatory requirements represents funds received in connection with customer activities that the Company is obligated to segregate or set aside to comply with regulations mandated by authorities such as the SEC and the Financial Industry Regulatory Authority in the U.S. ("FINRA") and the Financial Conduct Authority ("FCA") in the United Kingdom ("U.K.") that have been promulgated to protect customer assets.

Securities Owned:

Securities owned primarily consist of unencumbered U.S. Treasury bills held for liquidity purposes. Securities owned are classified as trading and marked-to-market daily based on current listed market prices (or, when applicable, broker quotes), with the resulting gains and losses included in operating income in the current period. Unrealized and realized gains and losses from securities owned are included as part of "Principal transactions" in the Company's consolidated statements of operations.

Fair Value:

The FASB issued guidance that defines fair value as the price received to transfer an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and further expands disclosures about such fair value measurements.

The guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 measurements – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 measurements – Quoted prices in markets that are not active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 measurements – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

In determining fair value, the Company separates financial instruments owned and financial instruments sold, but not yet purchased into two categories: cash instruments and derivative contracts.

Cash Instruments – Cash instruments are generally classified within Level 1 or Level 2. The types of instruments generally classified within Level 1 include most U.S. government securities, certain sovereign government obligations, and active listed equities.

The Company does not adjust the quoted price for such instruments. The types of instruments generally classified within Level 2 include agency securities, most investment-grade and high-yield corporate bonds, certain sovereign government obligations, money market securities, and less liquid listed equities, state, municipal and provincial obligations.

Derivative Contracts – Derivative contracts can be exchange-traded or OTC. Exchange-traded derivatives typically fall within Level 1 or Level 2 of the fair value hierarchy depending on whether they are deemed to be actively traded or not. The Company generally values exchange-traded derivatives using the closing price of the exchange-traded derivatives. OTC derivatives are valued using market transactions and other market evidence whenever possible, including market-based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. For OTC derivatives that trade in liquid markets, such as generic forwards, swaps and options, model inputs can generally be verified and model selection does not involve significant management judgment. Such instruments are typically classified within Level 2 of the fair value hierarchy.

See Note 13— "Fair Value of Financial Assets and Liabilities," for more information on the fair value of financial assets and liabilities.

Marketable Securities:

Marketable securities are comprised of securities held for investment purposes and are accounted for in accordance with FASB guidance, Accounting for Certain Investments in Debt and Equity Securities. Certain of the Company's investment securities are classified as available-for-sale and accordingly reported at fair value. Unrealized gains and losses on marketable securities classified as available-for-sale are included as part of "Accumulated other comprehensive (loss) income" in the Company's consolidated statements of financial condition. When the fair value of an available-for-sale security is lower than its cost, the Company evaluates the security to determine whether the impairment is considered "other-than-temporary." If the impairment is considered other-than-temporary, the Company records an impairment charge in the Company's consolidated statements of operations. Certain Marketable securities are classified as trading securities and accordingly are measured at fair value with any changes in fair value recognized currently in earnings and included in "Other income" in the Company's consolidated statements of operations.

Receivables from and Payables to Broker-Dealers, Clearing Organizations, Customers and Related Broker-Dealers:

Receivables from and payables to broker-dealers, clearing organizations, customers and related broker-dealers primarily represent principal transactions for which the stated settlement dates have not yet been reached and principal transactions which have not settled as of their stated settlement dates, cash held at clearing organizations and exchanges to facilitate settlement and clearance of matched principal transactions, and spreads on matched principal transactions that have not yet been remitted from/to clearing organizations and exchanges. Also included are amounts related to open derivative contracts, which are generally executed on behalf of the Company's customers. A portion of the unsettled principal transactions and open derivative contracts that constitute receivables from and payables to broker-dealers, clearing organizations, customers and related broker-dealers are with related parties (see Note 14— "Related Party Transactions," for more information regarding these receivables and payables).

Accrued Commissions Receivable, Net:

The Company has accrued commissions receivable from securities, commodities and real estate brokerage transactions. Accrued commissions receivable are presented net of allowance for doubtful accounts of approximately $21.5 million and $26.3 million as of December 31, 2015 and 2014, respectively. The allowance is based on management's estimate and is reviewed periodically based on the facts and circumstances of each outstanding receivable.

Loans, Forgivable Loans, and Other Receivables from Employees and Partners, Net:

The Company has entered into various agreements with certain of its employees and partners whereby these individuals receive loans which may be either wholly or in part repaid from the distribution earnings that the individual receives on some or all of their limited partnership interests or may be forgiven over a period of time. The forgivable portion of these loans is recognized as compensation expense over the life of the loan. From time to time, the Company may also enter into agreements with employees and partners to grant bonus and salary advances or other types of loans. These advances and loans are repayable in the timeframes outlined in the underlying agreements. The Company reviews the loan balances each reporting period for collectability. If the Company determines that the collectability of a portion of the loan balances is not expected, the Company recognizes a reserve against the loan balances.

Fixed Assets, Net:

Fixed assets are carried at cost net of accumulated depreciation and amortization. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Internal and external direct costs of developing applications and obtaining software for internal use are capitalized and amortized over three years on a straight-line basis. Computer equipment is depreciated over three to five years. Leasehold improvements are depreciated over the shorter of their estimated economic useful lives or the remaining lease term. Routine repairs and maintenance are expensed as incurred. When fixed assets are retired or otherwise disposed of, the related gain or loss is included in operating income. The Company has asset retirement obligations related to certain of its leasehold improvements, which it accounts for using the FASB guidance, Accounting for Asset Retirement Obligations, which requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement cost is capitalized as part of the carrying amount of the long-lived asset. The liability is discounted and accretion expense is recognized using the credit-adjusted risk-free interest rate in effect when the liability was initially recognized.

Acquisition Related Limited Partnerships Units:

In connection with certain acquisitions the Company issues limited partnership units as part of the purchase consideration. These units are not eligible for a distribution of earnings. These units are accounted for as either equity or liability awards in accordance with FASB guidance. Units that are accounted for as equity awards and are contingent upon the achievement of performance targets are classified as “Contingent Class A Common Stock” in the Company’s consolidated statements of financial condition.

Investments:

The Company’s investments in which it has a significant influence but not a controlling interest and of which it is not the primary beneficiary are accounted for under the equity method. The Company’s consolidated financial statements include the accounts of the Company and its wholly owned and majority-owned subsidiaries. The Company’s policy is to consolidate all entities of which it owns more than 50% unless it does not have control over the entity. In accordance with FASB guidance, Consolidation of Variable Interest Entities, the Company also consolidates any variable interest entities (“VIEs”) of which it is the primary beneficiary.

Long-Lived Assets:

The Company periodically evaluates potential impairment of long-lived assets and amortizable intangibles, when a change in circumstances occurs, by applying the concepts of FASB guidance, Accounting for the Impairment or Disposal of Long-Lived Assets, and assessing whether the unamortized carrying amount can be recovered over the remaining life through undiscounted future expected cash flows generated by the underlying assets. If the undiscounted future cash flows were less than the carrying value of the asset, an impairment charge would be recorded. The impairment charge would be measured as the excess of the carrying value of the asset over the present value of estimated expected future cash flows using a discount rate commensurate with the risks involved.

Goodwill and Other Intangible Assets, Net:

Goodwill is the excess of the purchase price over the fair value of identifiable net assets acquired in a business combination. As prescribed in FASB guidance, Goodwill and Other Intangible Assets, goodwill and other indefinite-lived intangible assets are not amortized, but instead are periodically tested for impairment. The Company reviews goodwill and other indefinite-lived intangible assets for impairment on an annual basis during the fourth quarter of each fiscal year or whenever an event occurs or circumstances change that could reduce the fair value of a reporting unit below its carrying amount. When reviewing goodwill for impairment, the Company first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. The Company performed impairment evaluations for the years ended December 31, 2015, 2014 and 2013 and concluded that there was no impairment of its goodwill or indefinite-lived intangible assets.

Intangible assets with definite lives are amortized on a straight-line basis over their estimated useful lives. Definite-lived intangible assets arising from business combinations include customer relationships, internally developed software, covenants not to compete and trademarks. Also included in the definite-lived intangible assets are purchased patents. The costs of acquired patents are amortized over a period not to exceed the legal life or the remaining useful life of the patent, whichever is shorter, using the straight-line method.

Income Taxes:

The Company accounts for income taxes using the asset and liability method as prescribed in FASB guidance on Accounting for Income Taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Certain of the Company’s entities are taxed as U.S. partnerships and are subject to the Unincorporated Business Tax (“UBT”) in New York City. Therefore, the tax liability or benefit related to the partnership income or loss except for UBT rests with the partners (see Note 2— “Limited Partnership Interests in BGC Holdings” for a discussion of partnership interests), rather than the partnership entity. As such, the partners’ tax liability or benefit is not reflected in the Company’s consolidated financial statements. The tax-related assets, liabilities, provisions or benefits included in the Company’s consolidated financial statements also reflect the results of the entities that are taxed as corporations, either in the U.S. or in foreign jurisdictions. Pursuant to FASB guidance on Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement on Accounting for Income Taxes, the Company provides for uncertain tax positions based upon management’s assessment of whether a tax benefit is more likely than not to be sustained upon examination by tax authorities. The Company recognizes interest and penalties related to income tax matters in “Interest expense” and “Other expenses,” respectively, in the Company’s consolidated statements of operations.

The Company files income tax returns in the United States federal jurisdiction and various states, local and foreign jurisdictions. The Company is currently open to examination by tax authorities for tax years beginning 2011 in United States federal, state and local jurisdictions and certain non-U.S. jurisdictions.

Equity-Based and Other Compensation:

The Company accounts for equity-based compensation under the fair value recognition provisions of the FASB guidance. Equity-based compensation expense recognized during the period is based on the value of the portion of equity-based payment awards that is ultimately expected to vest. The grant-date fair value of equity-based awards is amortized to expense ratably over the awards' vesting periods. As equity-based compensation expense recognized in the Company's consolidated statements of operations is based on awards ultimately expected to vest, it has been reviewed for estimated forfeitures. Further, FASB guidance requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Restricted Stock Units:

Restricted stock units ("RSUs") provided to certain employees by the Company are accounted for as equity awards, and as per FASB guidance, the Company is required to record an expense for the portion of the RSUs that is ultimately expected to vest. The grant-date fair value of RSUs is amortized to expense ratably over the awards' vesting periods. The amortization is reflected as non-cash equity-based compensation expense in the Company's consolidated statements of operations.

Restricted Stock:

Restricted stock provided to certain employees by the Company is accounted for as an equity award, and as per FASB guidance, the Company is required to record an expense for the portion of the restricted stock that is ultimately expected to vest. The Company has granted restricted stock that is fully vested and not subject to continued employment or service with the Company or any affiliate or subsidiary of the Company; however, transferability is subject to compliance with BGC Partners' and its affiliates' customary noncompete obligations. Such shares of restricted stock are generally saleable by partners in five to ten years. Because the restricted stock is not subject to continued employment or service, the grant-date fair value of the restricted stock is expensed on the date of grant. The expense is reflected as non-cash equity-based compensation expense in the Company's consolidated statements of operations.

Limited Partnership Units:

Limited partnership units in BGC Holdings generally are held by employees and receive quarterly allocations of net income, which are cash distributed on a quarterly basis and generally contingent upon services being provided by the unit holders. As prescribed in FASB guidance, the quarterly allocations of net income on such limited partnership units are reflected as a component of compensation expense under "Allocation of net income and grant of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations.

Certain of these limited partnership units entitle the holders to receive post-termination payments equal to the notional amount in four equal yearly installments after the holder's termination. These limited partnership units are accounted for as post-termination liability awards under FASB guidance, which requires that the Company record an expense for such awards based on the change in value at each reporting period and include the expense in the Company's consolidated statements of operations as part of "Compensation and employee benefits." The liability for limited partnership units with a post-termination payout amount is included in "Accrued compensation" on the Company's consolidated statements of financial condition.

Certain limited partnership units are granted exchangeability into Class A common stock on a one-for-one basis (subject to adjustment). At the time exchangeability is granted, the Company recognizes an expense based on the fair value of the award on that date, which is included in "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations.

The Company has also awarded Preferred Units. Each quarter, the net profits of BGC Holdings are allocated to such units at a rate of either 0.6875% (which is 2.75% per calendar year) or such other amount as set forth in the award documentation (the "Preferred Distribution"), which is deducted before the calculation and distribution of the quarterly partnership distribution for the remaining partnership units. The Preferred Units are not entitled to participate in partnership distributions other than with respect to the Preferred Distribution. Preferred Units may not be made exchangeable into the Company's Class A common stock and are only entitled to the Preferred Distribution, and accordingly they are not included in the Company's fully diluted share count. The quarterly allocations of net income on Preferred Units are reflected in compensation expense under "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations.

Redeemable Partnership Interest:

Redeemable partnership interest represents limited partnership interests in BGC Holdings held by founding/working partners. See Note 2—"Limited Partnership Interests in BGC Holdings," for additional information related to the founding/working partner units.

Contingent Class A Common Stock:

In connection with certain acquisitions, the Company has committed to issue shares of the Company's Class A common stock upon the achievement of certain performance targets. The contingent shares meet the criteria for equity classification and are recorded at acquisition date fair value in the Company's consolidated statements of financial condition. The amount attributable to the Company is classified as "Contingent Class A Common Stock."

Noncontrolling Interest in Subsidiaries:

Noncontrolling interest in subsidiaries represents equity interests in consolidated subsidiaries that are not attributable to the Company, including Cantor's limited partnership interest in BGC Holdings as well as the noncontrolling interest holders' proportionate share of the profit or loss associated with joint ownership of the Company's administrative services company in the U.K. (Tower Bridge), GFI Group Inc., Epsilon Networks, LLC and the Company's Real Estate affiliate entities.

Foreign Currency Transactions:

Assets and liabilities denominated in non-U.S. currencies are translated at rates of exchange prevailing on the date of the Company's consolidated statements of financial condition, and revenues and expenses are translated at average rates of exchange for the period. Gains or losses on remeasurement of the financial statements of a non-U.S. operation, when the functional currency is the U.S. dollar, are included in the Company's consolidated statements of operations as part of "Other expenses." Gains or losses upon translation of the financial statements of a non-U.S. operation, when the functional currency is other than the U.S. dollar, are included within "Other comprehensive loss, net of tax" in the Company's consolidated statements of comprehensive income and as part of "Accumulated other comprehensive (loss) income" in the Company's consolidated statements of financial condition.

Derivative Financial Instruments:

Derivative contracts are instruments, such as futures, forwards, options or swaps contracts that derive their value from underlying assets, indices, reference rates or a combination of these factors. Derivative instruments may be listed and traded on an exchange, or they may be privately negotiated contracts, which are often referred to as OTC derivatives. Derivatives may involve future commitments to purchase or sell financial instruments or commodities, or to exchange currency or interest payment streams. The amounts exchanged are based on the specific terms of the contract with reference to specified rates, securities, commodities, currencies or indices.

FASB guidance requires that an entity recognize all derivative contracts as either assets or liabilities in the consolidated statements of financial condition and measure those instruments at fair value. The fair value of all derivative contracts is recorded on a net-by-counterparty basis where a legal right of offset exists under an enforceable netting agreement. Derivative contracts are recorded as part of receivables from or payables to broker-dealers, clearing organizations, customers and related broker-dealers in the Company's consolidated statements of financial condition.

4. Acquisitions

Financial Services

On February 26, 2015, the Company successfully completed its tender offer to acquire shares of common stock, par value $0.01 per share, of GFI for $6.10 per share in cash and accepted for purchase 54.3 million shares tendered to the Company pursuant to the offer. The Tendered Shares, together with the 17.1 million shares already owned by the Company, represented approximately 56% of the then- outstanding shares of GFI. The Company issued payment for the Tendered Shares on March 4, 2015 in the aggregate amount of $331.1 million. On April 28, 2015, a subsidiary of the Company purchased from GFI approximately 43.0 million new shares at that date's closing price of $5.81 per share, for an aggregate purchase price of $250 million. The purchase price was paid to GFI in the form of a note due on June 19, 2018 that bears an interest rate of LIBOR plus 200 basis points. The new shares and the note eliminate in consolidation. Following the issuance of the new shares, the Company owned approximately 67% of GFI's outstanding common stock. This gave the Company control over the timing of the Back-End Mergers pursuant to the tender offer agreement. The excess of total consideration over the fair value of the total net assets acquired, of approximately $453.8 million, has been recorded to goodwill and was allocated to the Company's Financial Services segment. In addition, "Total revenues" in the Company's consolidated statements of operations for the year ended December 31, 2015 included $551.5 million related to GFI from the date of acquisition.

On August 24, 2015, GFI, Messrs. Gooch and Heffron, directors and former executive officers of GFI; Jersey Partners Inc. ("JPI"), a stockholder of GFI; CME Group, Inc. ("CME"); the former members of the GFI Special Committee; BGC; and certain other former officers and affiliates of GFI entered into a memorandum of understanding (the "MOU") with regard to a preliminary settlement (the "Settlement") of the consolidated class action case pending against GFI in the State of Delaware (the "Consolidated Delaware Action"). Neither the Company nor GFI contributed any funds to the Settlement, which was paid from a combination of insurance proceeds and payments by JPI and Messrs. Gooch and Heffron. The Settlement provides for a settlement fund of $10.75 million for the class of GFI stockholders in the Consolidated Delaware Action and payment of attorneys' fees and costs to plaintiffs' counsel in an amount to be established by negotiation, mediation or a fee application to the Court. In connection with the Settlement, on October 6, 2015, the Company advanced $10.75 million to JPI (the "JPI Note"). The JPI Note bore interest at the rate of 5.375% per annum and was secured by 2 million shares of GFI common stock then owned by JPI. In the MOU, the CME agreed to terminate the restriction prohibiting former executive officers of GFI, JPI and certain other stockholders and affiliates of GFI from supporting the Back-End Mergers as defined in the February 19, 2015 Tender Offer Agreement by and among BGC, GFI and BGC Partners, L.P., or similar transactions until January 30, 2016. Accordingly, BGC, GFI, JPI and certain affiliates entered into the Back-End Merger agreements on December 22, 2015. The Back-End Mergers were completed on January 12, 2016.

The JPI advance of the merger consideration plus accrued interest was deducted from the merger consideration payable upon completion of the Back-End Mergers. If insurance proceeds are insufficient, amounts advanced to Messrs. Gooch and Heffron, if any, would be deducted from any payment to which they may be entitled under the their respective non-compete and distributable earnings bonus award agreements with BGC ("DE Agreements"), which they entered into connection with the Tender Offer Agreement, so long as they are eligible for payments under their respective DE Agreements.

The following tables summarize the components of the purchase consideration transferred and the preliminary allocation of the assets acquired and liabilities assumed based on the fair values as of the acquisition date (in millions, except share and per share amounts). The Company expects to finalize its analysis of the assets acquired and liabilities assumed within the first year of the acquisition, and therefore adjustments to assets and liabilities may occur.

Calculation of purchase consideration transferred

	February 26, 2015
Cash	$ 331.1
Cost value of shares already owned (17,075,464 shares)	75.1
Redeemable noncontrolling interest (56,435,876 shares at $6.10 per share)	344.3
Total purchase consideration and noncontrolling interest (cost value)	750.5
Appreciation of shares already owned (17,075,464 shares at $6.10 per share less cost value)	29.0
Total purchase consideration and noncontrolling interest (fair value)	$ 779.5

Preliminary allocation of the assets acquired and the liabilities assumed

	February 26, 2015
Cash and cash equivalents	$ 238.8
Receivables from broker-dealers, clearing organizations, customers and related-broker dealers	704.8
Accrued commissions receivable, net	93.6
Fixed assets, net	58.4
Goodwill	453.8
Finite-lived intangible assets:	
Non-compete agreement	15.4
Technology	39.2
Customer relationships	133.8
Acquired intangibles	6.7
Indefinite-lived intangible assets:	
Trade name	92.1
Other assets	195.1
Assets held for sale	208.3
Short-term borrowings	(70.0)
Accrued compensation	(141.0)
Payables to broker-dealers, clearing organizations, customers and related broker-dealers	(648.6)
Accounts payable, accrued and other liabilities	(168.0)
Notes payable and collateralized borrowings	(255.3)
Liabilities held for sale	(175.5)
Pre-existing noncontrolling interest	(2.1)
Total	$ 779.5

The following unaudited pro forma summary presents consolidated information of the Company as if the acquisition of GFI had occurred on January 1, 2014, and as if the Company owns 100% of GFI from the date of acquisition. The unaudited pro forma results are not indicative of operations that would have been achieved, nor are they indicative of future results of operations. The unaudited pro forma results do not reflect any potential cost savings or other operations efficiencies that could result from the acquisition. In addition, the unaudited pro forma condensed combined financial information does not include any adjustments in respect of certain expenses recorded in the GFI financial statements that were associated with non-recurring events unrelated to the acquisition (for example, a $121.6 million charge related to the impairment of goodwill) and does not include any adjustments in respect of any potential future sales of assets. However, the unaudited pro forma results below for the year ended December 31, 2015 do include non-recurring pro forma adjustments directly related to the acquisition which mainly consisted of: (a) Prior to the acquisition, GFI had entered into an agreement with the CME Group Inc. (“CME”) for CME to acquire GFI. The CME transaction was terminated and as a result, GFI incurred breakage costs of approximately $24.7 million; (b) Severance and compensation restructuring charges of $22.2 million incurred by GFI; (c) The aggregate of BGC’s and GFI’s professional fees incurred which totaled $24.9 million; and (d) The $29.0 million gain recorded by the Company upon acquisition of GFI on the 17.1 million shares of GFI common stock owned prior to the completion of the acquisition.

In millions (unaudited)

	Year Ended	
	2015	2014
Pro forma revenues	$2,738.7	$2,660.8
Pro forma consolidated net income	$ 266.7	$ (123.2)

On February 14, 2014, the Company acquired select assets and liabilities of Heat Energy Group, LLC (“HEAT”), an independent over-the-counter energy brokerage company focused on the regional term power markets and natural gas swaps. HEAT specializes in electricity and power brokerage and has offices in New York, New Jersey and Florida.

On May 9, 2014, the Company acquired Remate Lince, a leading Mexican inter-dealer broker, which specializes in interest rate derivatives and bond brokerage. Remate Lince is headquartered in Mexico City and has operations in New York.

On December 12, 2014, the Company acquired U.K. assets and subsidiaries of R.P. Martin Group, a Europe based brokerage of forward foreign exchange and fixed income products. R.P. Martin is headquartered in the U.K. and also has international offices in Amsterdam and Stockholm. The Company had an option to acquire the businesses and assets of R.P. Martin in Sweden and the Netherlands in 2015 subject to regulatory approvals and certain closing conditions. The Company did not exercise that option.

The total consideration for acquisitions during the year ended December 31, 2014, within the Financial Services segment was approximately $50.5 million in total fair value, comprised of cash, shares of the Company’s Class A common stock and BGC Holdings limited partnership units. The total consideration included contingent consideration of approximately 0.3 million shares of the Company’s Class A common stock (with an acquisition date fair value of approximately $2.7 million), 1.3 million limited partnership units (with an acquisition date fair value of approximately $6.2 million) and $1.7 million in cash that may be issued contingent on certain targets being met through 2017. The excess of total consideration over the fair value of the total net assets acquired has been recorded to goodwill of approximately $42.6 million, including measurement period adjustments, and was allocated to the Company’s Financial Services segment.

Real Estate Services

On August 13, 2014, the Company completed the acquisition of Cornish & Carey Commercial (“Cornish & Carey”). Cornish & Carey is the leading commercial real estate services company in the Bay Area and Silicon Valley markets in Northern California.

In December 2014 the Company completed the acquisition of certain entities of Apartment Realty Advisors (“ARA”) and its members. ARA is the nation’s largest privately held, full service investment brokerage network, focusing exclusively on the multi-housing industry.

During January 2015 to June 2015, the Company completed the acquisition of certain entities of Apartment Realty Advisors (“ARA”) and its members. ARA is the nation’s largest privately held, full service investment brokerage network, focusing exclusively on the multi-housing industry.

During May 2015, the Company completed the acquisition of Computerized Facility Integration, LLC (“CFI”). CFI is a premier real estate strategic consulting and systems integration firm that provides corporate real estate, facilities management, and enterprise asset management information consulting and technology solutions.

During July 2015, the Company completed the acquisition of Excess Space. Excess Space is a full service brokerage firm that focuses its business model around surplus real estate disposition and lease restructuring for retailers.

In December 2015, The Company completed the acquisition of Steffner Commercial Real Estate, LLC and Cincinnati Commercial Real Estate, Inc., each a full service commercial real estate advisory practice operating in the Memphis and Cincinnati regions, respectively.

The total consideration for acquisitions during the year ended December 31, 2015, within the Real Estate Services segment was approximately $143.6 million in total fair value, comprised of cash, shares of the Company’s Class A common stock and BGC Holdings limited partnership units. The total consideration included contingent consideration of approximately 0.5 million restricted shares of the Company’s Class A common stock (with an acquisition date fair value of approximately $4.1 million), 1.8 million limited partnership units (with an acquisition date fair value of approximately $15.2 million) and $22.8 million in cash that may be issued contingent on certain targets being met through 2018. The excess of the consideration over the fair value of the net assets acquired has been recorded as goodwill of approximately $135.2 million, including measurement period adjustments, and was allocated to the Company’s Real Estate Service segment.

The total consideration for acquisitions during the year ended December 31, 2014, within the Real Estate Services segment was approximately $201.9 million, comprised of cash, shares of the Company’s Class A common stock and BGC Holdings limited partnership units. The total consideration included contingent consideration of approximately 1.7 million restricted shares of the Company’s Class A common stock (with an acquisition date fair value of approximately $13.1 million), 3.6 million limited partnership units (with an acquisition date fair value of approximately $28.0 million) and $32.3 million in cash that may be issued contingent on certain targets being met through 2018. The excess of the consideration over the fair value of the net assets acquired has been recorded as goodwill of approximately $179.5 million, including measurement period adjustments, and was allocated to the Company’s Real Estate Services segment.

The results of operations of the Company’s acquisitions have been included in the Company’s consolidated financial statements subsequent to their respective dates of acquisition. The Company has made a preliminary allocation of the consideration to the assets acquired and liabilities assumed as of the acquisition date, and expects to finalize its analysis with respect to acquisitions within the first year after the completion of the transaction. Therefore, adjustments to preliminary allocations may occur.

5. Divestitures

Sale of eSpeed

On June 28, 2013, the Company sold (the "NASDAQ Transaction") its on-the-run, electronic benchmark U.S. Treasury platform (the "Purchased Assets" or "eSpeed") to NASDAQ. Upon the sale of eSpeed, NASDAQ paid the Company $750 million in cash consideration, adjusted for certain pre-paid amounts and accrued costs and expenses. During the year ended December 31, 2013, the Company recognized a gain of $723.1 million which was recorded in "Gain on divestiture and sale of investments" in the Company's consolidated statements of operations. An earn-out of up to 14,883,705 shares of NASDAQ common stock will be paid ratably in each of the fifteen years following the closing in which the consolidated gross revenue of NASDAQ is equal to or greater than $25 million. The earn-out was excluded from the initial gain on the divestiture and will be recognized in income when it is realized and earned (i.e., when the contingency is met), consistent with the accounting guidance for gain contingencies. During each of the years ended December 31, 2015, 2014 and 2013, the Company received 992,247 shares of NASDAQ common stock and recognized gains of $68.0 million, $52.8 million and $39.5 million, respectively, related to the earn-out and related mark-to-market movements and/or hedging transactions which are included in "Other income" in the Company's consolidated statements of operations. As of December 31, 2015, the Company holds approximately $112.5 million of NASDAQ shares which are included in "Marketable securities" in the Company's consolidated statements of financial condition. Also in connection with the sale of eSpeed, during the year ended December 31, 2013, the Company paid fees of $7.4 million to Cantor Fitzgerald & Co. ("CF&Co"). These costs are included as a reduction of the "Gain on divestiture and sale of investments" in the Company's consolidated statements of operations. The Purchased Assets were included in the Company's Financial Services segment prior to the sale.

The Company has from time-to-time entered into hedging transactions using derivative contracts to minimize the effect of price changes of the NASDAQ shares we own (see Note 12—"Derivatives"). The Company does not designate such derivative contracts as hedges for accounting purposes. The change in fair value of these derivative contracts is included as part of "Other income" in the Company's consolidated statements of operations, with the related fair value of the derivative contracts reflected as part of "Receivables from broker-dealers, clearing organizations, customers and related broker-dealers" or "Payables to broker-dealers, clearing organizations, customers and related broker-dealers" in the Company's consolidated statements of financial condition.

In connection with the transaction, the Company entered into a transition services agreement, under which the Company provided certain services to NASDAQ over a period ranging from 12 to 18 months from the acquisition closing date. The Company attributed approximately $2.9 million of the proceeds from the sale to the transition services agreement, which was recognized as revenue over a period of 12 months. For the year ended December 31, 2014, the Company recognized approximately $1.5 million of revenue with respect to this transition services agreement, which is included in "Other revenues" in the Company's consolidated statements of operations.

Sales of KGL and KBL

In connection with the successful completion of the tender offer to acquire GFI on February 26, 2015, the Company acquired Kyte Group Limited ("KGL") which primarily included GFI's clearing business, and Kyte Broking Limited ("KBL").

On January 24, 2015, GFI entered into an agreement to sell its 100% equity ownership of KGL, and the transaction was completed in March 2015. The total cash consideration received by the Company was approximately $10.6 million. The loss incurred from the sale of KGL of $0.2 million is included within "Gain on divestiture and sale of investments" in the Company's consolidated statements of operations.

On February 3, 2015, GFI entered into an agreement to sell 100% equity ownership of KBL. In May 2015, the Company completed the sale of KBL. The transaction included total cash consideration of $6.1 million and the Company recorded a gain on the sale of $0.8 million, which is included within "Gain on divestiture and sale of investments" in the Company's consolidated statements of operations. KBL's operations prior to the completion of the transaction are included in the Company's consolidated statements of operations for the year ended December 31, 2015.

Sale of Trayport

In connection with the successful completion of the tender offer to acquire GFI, the Company also acquired GFI's Trayport business. The Trayport Business was GFI's European electronic energy software business. On December 11, 2015, the Company completed the sale of its Trayport business to Intercontinental Exchange, Inc. ("Intercontinental Exchange" or "ICE"). Under the terms of the purchase agreement, Intercontinental Exchange acquired the Trayport business from the Company in exchange for 2,527,658 ICE common shares issued with respect to the $650.0 million purchase price, which was adjusted at closing. The Company recorded a pre-tax gain on the sale of $391.0 million, net of $10.4 million in fees, which was included within "Gain on divestiture and sale of investments" in the Company's consolidated statements of operations for the year ended December 31, 2015. During the year ended December 31, 2015, the Company also recorded $16.3 million net realized and unrealized mark-to-market gains on the appreciation of ICE common shares, which was included within "Other income" in the Company's consolidated statements of operations for the year ended December 31, 2015. Trayport's operations prior to the completion of the transaction, including a pre-tax profit of $26.1 million, are included in the Company's consolidated statements of operations for the year ended December 31, 2015 and within the Financial Services segment.

6. Earnings Per Share

FASB guidance on Earnings Per Share ("EPS") establishes standards for computing and presenting EPS. Basic EPS excludes dilution and is computed by dividing net income available to common stockholders by the weighted-average shares of common stock outstanding and contingent shares for which all necessary conditions have been satisfied except for the passage of time. Net income is allocated to the Company's outstanding common stock, FPUs, limited partnership units and Cantor units (see Note 2—"Limited Partnership Interests in BGC Holdings").

The following is the calculation of the Company's basic EPS (in thousands, except per share data):

	Year Ended December 31,		
	2015	2014	2013
Basic earnings per share:			
Net income available to common stockholders	$126,788	$ 4,135	$ 70,924
Basic weighted-average shares of common stock outstanding	243,460	220,697	193,694
Basic earnings per share	$ 0.52	$ 0.02	$ 0.37

Fully diluted EPS is calculated utilizing net income available for common stockholders plus net income allocations to the limited partnership interests in BGC Holdings, as well as adjustments related to the interest expense on the Convertible Notes, if applicable (see Note 18—"Notes Payable, Collateralized and Short-Term Borrowings"), and expense related to dividend equivalents for certain RSUs, if applicable, as the numerator. The denominator is comprised of the Company's weighted-average outstanding shares of common stock and, if dilutive, the weighted-average number of limited partnership interests and other contracts to issue shares of common stock, including Convertible Notes, stock options and RSUs. The limited partnership interests generally are potentially exchangeable into shares of Class A common stock and are entitled to remaining earnings after the deduction for the Preferred Distribution; as a result, they are included in the fully diluted EPS computation to the extent that the effect would be dilutive.

The following is the calculation of the Company's fully diluted EPS (in thousands, except per share data):

	Year Ended December 31,		
	2015	2014	2013
Fully diluted earnings per share			
Net income available to common stockholders	$126,788	$ 4,135	$ 70,924
Allocation of net income to limited partnership interests in BGC Holdings, net of tax	33,675	1,555	25,912
Interest expense on convertible notes, net of tax	8,058	—	—
Dividend equivalent expense on RSUs, net of tax	—	2	15
Net income for fully diluted shares	$168,521	$ 5,692	$ 96,851
Weighted-average shares:			
Common stock outstanding	243,460	220,697	193,694
Limited partnership interests in BGC Holdings	65,582	106,047	70,432
Convertible notes	23,034	—	—
RSUs (Treasury stock method)	741	775	413
Other	2,570	936	809
Fully diluted weighted-average shares of common stock outstanding	335,387	328,455	265,348
Fully diluted earnings per share	$ 0.50	$ 0.02	$ 0.36

For the years ended December 31, 2015, 2014, and 2013, respectively, approximately 65.4 million, 44.4 million and 103.3 million potentially dilutive securities were not included in the computation of fully diluted EPS because their effect would have been anti-dilutive. Anti-dilutive securities for the year ended December 31, 2015 included, on a weighted-average basis, 56.8 million limited partnership interests and 8.6 million other securities or other contracts to issue shares of common stock. These 8.6 million shares primarily represent the weighted-average of the 23.5 million shares to be issued for the completion of the Company's acquisition of GFI. See Note 25—"Subsequent Events" for more information on the completion of the Company's acquisition of GFI.

Additionally, as of December 31, 2015, 2014, and 2013, respectively, approximately 10.7 million, 10.9 million, and 4.7 million shares of contingent Class A common stock and limited partnership units were excluded from the fully diluted EPS computations because the conditions for issuance had not been met by the end of the respective periods.

7. Stock Transactions and Unit Redemptions

Class A Common Stock

Changes in shares of the Company's Class A common stock outstanding for the years ended December 31, 2015 and 2014 were as follows:

	Year Ended December,	
	2015	2014
Shares outstanding at beginning of period	185,108,316	181,583,001
Share issuances:		
Exchanges of limited partnership interests [1]	9,445,664	14,597,544
Vesting of restricted stock units (RSUs)	825,996	987,831
Acquisitions	1,199,052	1,912,630
Other issuances of Class A common stock [2]	129,151	47,896
Conversion of 8.75% Convertible Notes to Class A common stock	24,042,599	—
Treasury stock repurchases	(1,416,991)	(13,630,725)
Forfeitures of restricted Class A common stock	(270,422)	(389,861)
Shares outstanding at end of period	219,063,365	185,108,316

1 The issuance related to redemptions and exchanges of limited partnership interests did not impact the fully diluted number of shares and units outstanding.

2 The Company did not issue shares of Class A common stock for general corporate purposes during the years ended December 31, 2015 or December 31, 2014.

Class B Common Stock

The Company did not issue any shares of Class B common stock during the years ended December 31, 2015 and 2014. As of December 31, 2015 and 2014, the Company's Class B common stock outstanding was 34,848,107 shares.

Controlled Equity Offering

The Company has entered into a controlled equity offering ("CEO") sales agreement with CF&Co ("November 2014 Sales Agreement"), pursuant to which the Company may offer and sell up to an aggregate of 20 million shares of Class A common stock. Shares of the Company's Class A common stock sold under its CEO sales agreements are used primarily for redemptions and exchanges of limited partnership interests in BGC Holdings. CF&Co is a wholly owned subsidiary of Cantor and an affiliate of the Company. Under this agreement, the Company has agreed to pay CF&Co 2% of the gross proceeds from the sale of shares. As of December 31, 2015, the Company has sold 6,456,023 shares of Class A common stock under this agreement.

Unit Redemptions and Share Repurchase Program

The Company's Board of Directors and Audit Committee have authorized repurchases of the Company's Class A common stock and redemptions of BGC Holdings limited partnership interests or other equity interests in the Company's subsidiaries. In February 2014, our Audit Committee authorized such repurchases of stock or units from Cantor employees and partners. On October 27, 2015, the Company's Board of Directors and Audit Committee increased the BGC Partners share repurchase and unit redemption authorization to $300 million, which may include purchases from Cantor, its partners or employees or other affiliated persons or entities. As of December 31, 2015, the Company had approximately $294.3 million remaining from its share repurchase and unit redemption authorization. From time to time, the Company may actively continue to repurchase shares and/or redeem units.

The table below represents unit redemption and share repurchase activity for the year ended December 31, 2015.

Period	Total Number of Units Redeemed or Shares Repurchased	Average Price Paid per Unit or Share	Approximate Dollar Value of Units and Shares That May Yet Be Redeemed/Purchased Under the Plan
Redemptions [1]			
January 1, 2015—March 31, 2015	2,040,190	$ 8.65	
April 1, 2015—June 30, 2015	1,242,622	8.83	
July 1, 2015—September 30, 2015	1,562,680	8.90	
October 1, 2015—December 31, 2015	2,733,223	8.92	
Total Redemptions	7,578,715	$ 8.85	
Repurchases [2]			
January 1, 2015—March 31, 2015	734,561	$ 7.96	
April 1, 2015—June 30, 2015	6,520	6.29	
July 1, 2015—September 30, 2015	100,000	9.01	
October 1, 2015—December 31, 2015	575,910	9.25	
Total Repurchases	1,416,991	$ 8.55	
Total Redemptions and Repurchases	8,995,706	$ 8.81	$ 294,252,745

1 During the year ended December 31, 2015, the Company redeemed approximately 7.5 million limited partnership units at an aggregate redemption price of approximately $66.3 million for an average price of $8.86 per unit and approximately 100.0 thousand FPUs at an aggregate redemption price of approximately $0.8 million for an average price of $8.44 per unit. During the year ended December 31, 2014, the Company redeemed approximately 10.4 million limited partnership units at an aggregate redemption price of approximately $76.3 million for an average price of $7.28 per unit and approximately 3.8 million FPUs at an aggregate redemption price of approximately $28.8 million for an average price of $7.66 per unit.

2 During the year ended December 31, 2015, the Company repurchased approximately 1.4 million shares of its Class A common stock at an aggregate purchase price of approximately $12.1 million for an average price of $8.55 per share. During the year ended December 31, 2014, the Company repurchased approximately 13.6 million shares of its Class A common stock at an aggregate purchase price of approximately $100.3 million for an average price of $7.36 per share.

The table above represents the gross unit redemptions and share repurchases of the Company's Class A common stock during the year ended December 31, 2015. Approximately 6.9 million of the 7.6 million units above were redeemed using cash from the Company's CEO program, and therefore did not impact the fully diluted number of shares and units outstanding. The remaining redemptions along with the Class A common stock repurchases resulted in a 2.1 million reduction in the fully diluted share count. This net reduction cost the Company approximately $18.1 million (or $8.53 per share/unit) during the year ended December 31, 2015. This reduction partially offset the overall growth in the fully diluted share count which resulted from acquisitions, equity based compensation and front office hires.

Redeemable Partnership Interest

The changes in the carrying amount of redeemable partnership interest for years ended December 31, 2015 and 2014 were as follows (in thousands):

	Year Ended December 31, 2015	Year Ended December 31, 2014
Balance at beginning of period	$ 59,501	$ 66,918
Consolidated net income allocated to FPUs	5,121	2,847
Earnings distributions	(3,227)	(2,968)
Re-allocation of equity due to additional investment by founding/working partners	80	110
FPUs exchanged	(1,933)	(917)
FPUs redeemed	(2,470)	(8,995)
Other	73	2,506
Balance at end of period	$ 57,145	$ 59,501

8. Securities Owned

Securities owned primarily consist of unencumbered U.S. Treasury bills held for liquidity purposes. Total securities owned were $32.4 million as of December 31, 2015 and $32.5 million as of December 31, 2014. For additional information, see Note 13—"Fair Value of Financial Assets and Liabilities."

9. Collateralized Transactions

Securities Borrowed

Securities borrowed transactions are recorded at the contractual amount for which the securities will be returned plus accrued interest. As of December 31, 2015, the Company has not entered into any securities borrowed transactions. As of December 31, 2014, the Company entered into securities borrowed transactions of $62.7 million to cover failed trades.

Securities Loaned

As of December 31, 2015, the Company has Securities loaned transactions of $117.9 million with CF&Co. The market value of the securities lent was $116.3 million. As of December 31, 2015, the cash collateral received from CF&Co bore interest rates ranging from 0.80% to 1.00%. Securities loaned transactions are included in “Securities loaned” in the Company’s consolidated statements of financial condition.

10. Marketable Securities

Marketable securities consist of the Company’s ownership of various investments. The investments had a fair value of $650.4 million and $144.7 million as of December 31, 2015 and December 31, 2014, respectively. As of December 31, 2015, marketable securities included $532.5 million of ICE common stock, $112.5 million of NASDAQ common stock, and $5.5 million of other marketable securities.

As of December 31, 2015, the Company held shares of ICE common stock with a market value of $532.5 million. On December 11, 2015, Intercontinental Exchange acquired the Trayport business from the Company in exchange for 2,527,658 ICE common shares issued with respect to the $650 million purchase price, which was adjusted at closing. These shares of ICE common stock are classified as trading securities and accordingly measured at fair value, with any changes in fair value recognized currently in earnings and included in “Other income” in the Company’s consolidated statements of operations. During the year ended December 31, 2015, the Company recognized a gain of $16.3 million related to the ICE shares ($4.3 million realized and $12.0 million unrealized).

As of December 31, 2015 and December 31, 2014, the Company had $112.5 million and $47.2 million, respectively, of NASDAQ common stock received in connection with the earn-out from the sale of eSpeed. During the year ended December 31, 2015 and 2014, in connection with the NASDAQ earn-out, the Company recognized gains of $52.9 million and $42.1 million, respectively, in “Other income” in the Company’s consolidated statements of operations. These shares of NASDAQ common stock are classified as trading securities and accordingly measured at fair value, with any changes in fair value recognized currently in earnings and included in “Other income” in the Company’s consolidated statements of operations. From time to time the Company has entered into hedging transactions using derivative contracts to minimize the effect of price changes of the Company’s NASDAQ shares (see Note 12—“Derivatives”). During the year ended December 31, 2015 and 2014, the Company recognized a gain of $15.1 million and $10.7 million, respectively, related to the mark-to-market on the NASDAQ shares and the related hedging transactions when applicable.

As of December 31, 2015 and December 31, 2014, the Company had $5.5 million and $97.5 million, respectively, related to other marketable securities. The shares are classified as available-for-sale and are recorded at fair value; unrealized gains or losses on marketable securities classified as available-for-sale are included as part of “Accumulated other comprehensive (loss) income” in the Company’s consolidated statements of financial condition. The securities classified as available for sale as of December 31, 2014 included $93.1 million in fair value of GFI common stock (initial cost of $75.1 million). In connection with the Company’s successful completion of the tender offer to acquire GFI on February 26, 2015 (see Note 1—“Organization and Basis of Presentation”), these shares were considered part of the purchase consideration. Upon acquisition of GFI, the unrealized gain previously recorded in “Accumulated other comprehensive (loss) income” was recorded as a $29.0 million gain in “Other income” in the Company’s consolidated statements of operations.

During the year ended December 31, 2015, the Company purchased marketable securities with a market value of $27.1 million at the time of purchase and sold marketable securities with a market value of $248.0 million at the time of sale.

Table of Contents

11. Receivables from and Payables to Broker-Dealers, Clearing Organizations, Customers and Related Broker-Dealers

Receivables from and payables to broker-dealers, clearing organizations, customers and related broker-dealers primarily represent amounts due for undelivered securities, cash held at clearing organizations and exchanges to facilitate settlement and clearance of matched principal transactions, spreads on matched principal transactions that have not yet been remitted from/to clearing organizations and exchanges and amounts related to open derivative contracts, including derivative contracts into which the Company may enter to minimize the effect of price changes of the Company's NASDAQ shares (see Note 12—"Derivatives"). As of December 31, 2015 and December 31, 2014, receivables from and payables to broker-dealers, clearing organizations, customers and related broker-dealers consisted of the following (in thousands):

	December 31, 2015	December 31, 2014
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers:		
Contract values of fails to deliver	$ 692,530	$ 559,142
Receivables from clearing organizations	92,915	60,300
Other receivables from broker-dealers and customers	18,252	16,927
Net pending trades	6,544	884
Open derivative contracts	1,999	3,508
Total	$ 812,240	$ 640,761
Payables to broker-dealers, clearing organizations, customers and related broker-dealers:		
Contract values of fails to receive	$ 660,365	$ 552,790
Payables to clearing organizations	30,037	79,848
Other payables to broker-dealers and customers	23,287	13,378
Open derivative contracts	1,134	153
Total	$ 714,823	$ 646,169

A portion of these receivables and payables are with Cantor. See Note 14—"Related Party Transactions," for additional information related to these receivables and payables.

Substantially all open fails to deliver, open fails to receive and pending trade transactions as of December 31, 2015 have subsequently settled at the contracted amounts.

12. Derivatives

In the normal course of operations, the Company enters into derivative contracts. These derivative contracts primarily consist of interest rate swaps, futures, forwards, foreign exchange/commodities options, and foreign exchange swaps. The Company enters into derivative contracts to facilitate client transactions, hedge principal positions and facilitate hedging activities of affiliated companies.

Derivative contracts can be exchange-traded or OTC. Exchange-traded derivatives typically fall within Level 1 or Level 2 of the fair value hierarchy depending on whether they are deemed to be actively traded or not. The Company generally values exchange-traded derivatives using their closing prices. OTC derivatives are valued using market transactions and other market evidence whenever possible, including market-based inputs to models, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. For OTC derivatives that trade in liquid markets, such as generic forwards, swaps and options, model inputs can generally be verified and model selection does not involve significant management judgment. Such instruments are typically classified within Level 2 of the fair value hierarchy.

The Company does not designate any derivative contracts as hedges for accounting purposes. FASB guidance requires that an entity recognize all derivative contracts as either assets or liabilities in the consolidated statements of financial condition and measure those instruments at fair value. The fair value of all derivative contracts is recorded on a net-by-counterparty basis where a legal right to offset exists under an enforceable netting agreement. Derivative contracts are recorded as part of “Receivables from broker-dealers, clearing organizations, customers and related broker-dealers” and “Payables to broker-dealers, clearing organizations, customers and related broker-dealers” in the Company’s consolidated statements of financial condition. The fair value of derivative contracts, computed in accordance with the Company’s netting policy, is set forth below (in thousands):

	December 31, 2015		December 31, 2014	
	Assets	Liabilities	Assets	Liabilities
Forwards	$ 821	$ 178	$ —	$ —
Foreign exchange swaps	883	375	3,098	153
Interest rate swaps	256	—	410	—
Foreign exchange/commodities options	—	537	—	—
Futures	39	44	—	—
Total	$1,999	$ 1,134	$3,508	$ 153

The notional amounts of these derivative contracts at December 31, 2015 and December 31, 2014 were $10.9 billion and $0.3 billion, respectively. At December 31, 2015, the notional amounts primarily consisted of long futures of $5.3 billion and short futures of $5.3 billion. As of December 31, 2015, these notional values of long and short futures contracts were primarily related to fixed income futures in a consolidated VIE acquired in the acquisition of GFI, of which the Company’s exposure to economic loss is approximately $5.8 million.

The interest rate swaps represent matched customer transactions settled through and guaranteed by a central clearing organization. Certain of the Company’s foreign exchange swaps are with Cantor. See Note 14—“Related Party Transactions,” for additional information related to these transactions.

The replacement cost of contracts in a gain position at December 31, 2015 was $2.0 million.

The change in fair value of interest rate swaps, futures, foreign exchange/commodities options and foreign exchange swaps is reported as part of "Principal transactions" in the Company's consolidated statements of operations, and the change in fair value of equity options related to the NASDAQ hedges and forwards are included as part of "Other income" in the Company's consolidated statements of operations. The table below summarizes gains and losses on derivative contracts for the years ended December 31, 2015, 2014 and 2013 (in thousands):

	Year Ended December 31,		
Derivative contract	**2015**	**2014**	**2013**
Futures	$11,261	$ —	$ —
Foreign exchange/commodities options	6,294	—	—
Interest rate swaps	(48)	105	22
Foreign exchange swaps	(72)	(264)	(126)
Forwards	508	—	—
Equity options	—	2,045	(25)
Gain (loss)	$17,943	$1,886	$(129)

As described in Note 18—"Notes Payable, Collateralized and Short-Term Borrowings," on July 29, 2011, the Company issued an aggregate of $160.0 million principal amount of 4.50% Convertible Senior Notes due 2016 (the "4.50% Convertible Notes") containing an embedded conversion feature. The conversion feature meets the requirements to be accounted for as an equity instrument, and the Company classifies the conversion feature within "Additional paid-in capital" in the Company's consolidated statements of financial condition. At the issuance of the 4.50% Convertible Notes, the embedded conversion feature was measured at approximately $19.0 million on a pre-tax basis ($16.1 million net of taxes and issuance costs) as the difference between the proceeds received and the fair value of a similar liability without the conversion feature and is not subsequently remeasured.

Also in connection with the issuance of the 4.50% Convertible Notes, the Company entered into capped call transactions. The capped call transactions meet the requirements to be accounted for as equity instruments, and the Company classifies the capped call transactions within "Additional paid-in capital" in the Company's consolidated statements of financial condition. The purchase price of the capped call transactions resulted in a decrease to "Additional paid-in capital" of $11.4 million on a pre-tax basis ($9.9 million on an after-tax basis) at the issuance of the 4.50% Convertible Notes, and such capped call transactions are not subsequently remeasured.

13. Fair Value of Financial Assets and Liabilities

FASB guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 measurements—Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 measurements—Quoted prices in markets that are not active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 measurements—Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

As required by FASB guidance, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth by level within the fair value hierarchy financial assets and liabilities accounted for at fair value under FASB guidance at December 31, 2015 and December 31, 2014 (in thousands):

	Assets at Fair Value at December 31, 2015				
	Level 1	**Level 2**	**Level 3**	**Netting and Collateral**	**Total**
Marketable Securities	$650,315	$ 85	$ —	$ —	$650,400
Government debt	32,352	—	—	—	32,352
Securities Owned—Equities	9	—	—	—	9
Forwards	—	869	—	(48)	821
Foreign exchange swaps	—	1,256	—	(373)	883
Interest rate swaps	—	283	—	(27)	256
Futures	—	39	—	—	39
Foreign exchange/commodities options	309	—	—	(309)	—
Total	$682,985	$2,532	$ —	$ (757)	$684,760

	Liabilities at Fair Value at December 31, 2015				
	Level 1	Level 2	Level 3	Netting and Collateral	Total
Forwards	$ —	$ 226	$ —	$ (48)	$ 178
Futures	—	44	—	—	44
Government debt	12	—	—	—	12
Foreign exchange/commodities options	846	—	—	(309)	537
Foreign exchange swaps	—	748	—	(373)	375
Interest rate swaps	—	27	—	(27)	—
Contingent consideration	—	—	65,043	—	65,043
Total	$ 858	$1,045	$65,043	$ (757)	$66,189

	Assets at Fair Value at December 31, 2014				
	Level 1	Level 2	Level 3	Netting and Collateral	Total
Marketable securities	$144,719	$ —	$ —	$ —	$144,719
Government debt	32,508	—	—	—	32,508
Foreign exchange swaps	—	3,144	—	(46)	3,098
Interest rate swaps	—	547	—	(137)	410
Total	$177,227	$3,691	$ —	$ (183)	$180,735

	Liabilities at Fair Value at December 31, 2014				
	Level 1	Level 2	Level 3	Netting and Collateral	Total
Foreign exchange swaps	$ —	$ 199	$ —	$ (46)	$ 153
Interest rate swaps	—	137	—	(137)	—
Contingent consideration	—	—	56,299	—	56,299
Total	$ —	$ 336	$56,299	$ (183)	$56,452

Changes in Level 3 Contingent consideration measured at fair value on a recurring basis for the year ended December 31, 2015 are as follows:

	Opening Balance	Total realized and unrealized gains (losses) included in Net income (1)	Unrealized gains (losses) included in Other comprehensive income (loss)	Issuances	Settlements	Closing Balance at December 31, 2015	Unrealized gains (losses) for Level 3 Assets / Liabilities Outstanding at December 31, 2015
Liabilities							
Accounts payable, accrued and other liabilities:							
Contingent consideration	$56,299	$ 74	$ 225	$22,834	$ (13,791)	$ 65,043	$ 299

(1) Realized and unrealized gains (losses) are reported in "Other expenses" in the Company's consolidated statements of operations.

Changes in Level 3 Contingent consideration measured at fair value on a recurring basis for the year ended December 31, 2014 are as follows:

	Opening Balance	Total realized and unrealized gains (losses) included in Net income (1)	Unrealized gains (losses) included in Other comprehensive income (loss)	Issuances	Settlements	Closing Balance at December 31, 2014	Unrealized gains (losses) for Level 3 Assets / Liabilities Outstanding at December 31, 2014
Liabilities							
Accounts payable, accrued and other liabilities:							
Contingent consideration	$ 722	$ (3,291)	$ 357	$52,893	$ (250)	$ 56,299	$ (2,934)

(1) Realized and unrealized gains (losses) are reported in "Other expenses" in the Company's consolidated statements of operations.

The following tables present information about the offsetting of derivative instruments and collateralized transactions as of December 31, 2015 and December 31, 2014 (in thousands):

	December 31, 2015					
	Gross Amounts	Gross Amounts Offset	Net Amounts Presented in the Statements of Financial Condition	Gross Amounts Not Offset: Financial Instruments	Gross Amounts Not Offset: Cash Collateral Received	Net Amount
Assets						
Forwards	$ 869	$ 48	$ 821	$ —	$ —	$ 821
Foreign exchange swaps	1,256	373	883	—	—	883
Interest rate swaps	283	27	256	—	—	256
Futures	39	—	39	—	—	39
Foreign exchange /commodities options	309	309	—	—	—	—
Total	$ 2,756	$ 757	$ 1,999	$ —	$ —	$ 1,999
Liabilities						
Forwards	$ 226	$ 48	$ 178	$ —	$ —	$ 178
Foreign exchange swaps	748	373	375	—	—	375
Interest Rate swaps	27	27	—	—	—	—
Futures	44	—	44	—	—	44
Foreign exchange /commodities options	846	309	537	—	—	537
Total	$ 1,891	$ 757	$ 1,134	$ —	$ —	$ 1,134

	December 31, 2014					
	Gross Amounts	Gross Amounts Offset	Net Amounts Presented in the Statements of Financial Condition	Gross Amounts Not Offset: Financial Instruments	Gross Amounts Not Offset: Cash Collateral Received	Net Amount
Assets						
Foreign exchange swaps	$ 3,144	$ 46	$ 3,098	$ —	$ —	$ 3,098
Interest rate swaps	547	137	410	—	—	410
Total	$ 3,691	$ 183	$ 3,508	$ —	$ —	$ 3,508
Liabilities						
Foreign exchange swaps	$ 199	$ 46	$ 153	$ —	$ —	$ 153
Interest rate swaps	137	137	—	—	—	—
Total	$ 336	$ 183	$ 153	$ —	$ —	$ 153

Certain of the Company’s foreign exchange swaps are with Cantor. See Note 14—“Related Party Transactions,” for additional information related to these transactions.

Quantitative Information About Level 3 Fair Value Measurements

The following tables present quantitative information about the significant unobservable inputs utilized by the Company in the fair value measurement of Level 3 assets and liabilities measured at fair value on a recurring basis.

	Fair Value as of December 31, 2015	Valuation Technique	Unobservable Inputs	Weighted Average
Liabilities				
Accounts payable, accrued and other liabilities:				
Contingent consideration	$ 65,043	Present value of expected payments	Discount rate Forecasted financial information	5.6%(a)

(a) The Company’s estimate of contingent consideration as of December 31, 2015 was based on the acquired business’ projected future financial performance, including revenues.

	Fair Value as of December 31, 2014		Valuation Technique	Unobservable Inputs	Weighted Average
Liabilities					
Accounts payable, accrued and other liabilities:					
Contingent consideration	$	56,299	Present value of expected payments	Discount rate Forecasted financial information	6.6%(a)

(a) The Company's estimate of contingent consideration as of December 31, 2014 was based on the acquired business' projected future financial performance, including revenues.

Valuation Processes – Level 3 Measurements

Valuations for contingent consideration are conducted by the Company. Each reporting period, the Company updates unobservable inputs. The Company has a formal process to review changes in fair value for satisfactory explanation.

Sensitivity Analysis – Level 3 Measurements

The significant unobservable inputs used in the fair value of the Company's contingent consideration are the discount rate and forecasted financial information. Significant increases (decreases) in the discount rate would have resulted in a lower (higher) fair value measurement. Significant increases (decreases) in the forecasted financial information would have resulted in a higher (lower) fair value measurement. As of December 31, 2015 and December 31, 2014, the present value of expected payments related to the Company's contingent consideration was $65.0 million and $56.3 million, respectively. The undiscounted value of the payments, assuming that all contingencies are met, would be $76.1 million and $60.9 million, respectively.

14. Related Party Transactions

Service Agreements

Throughout Europe and Asia, the Company provides Cantor with administrative services, technology services and other support for which it charges Cantor based on the cost of providing such services plus a mark-up, generally 7.5%. In the U.K., the Company provides these services to Cantor through Tower Bridge. The Company owns 52% of Tower Bridge and consolidates it, and Cantor owns 48%. Cantor's interest in Tower Bridge is reflected as a component of "Noncontrolling interest in subsidiaries" in the Company's consolidated statements of financial condition, and the portion of Tower Bridge's income attributable to Cantor is included as part of "Net income attributable to noncontrolling interest in subsidiaries" in the Company's consolidated statements of operations. In the U.S., the Company provides Cantor with technology services for which it charges Cantor based on the cost of providing such services.

The administrative services agreement provides that direct costs incurred are charged back to the service recipient. Additionally, the service recipient generally indemnifies the service provider for liabilities that it incurs arising from the provision of services other than liabilities arising from fraud or willful misconduct of the service provider. In accordance with the administrative service agreement, the Company has not recognized any liabilities related to services provided to affiliates.

The Company, together with other leading financial institutions, formed ELX Futures L.P. ("ELX"), a limited partnership that has established a fully electronic futures exchange. Effective December 23, 2014, the Company consolidated ELX in its consolidated financial statements. Prior to consolidating ELX, the Company accounted for ELX under the equity method of accounting (see Note 15—"Investments" for more details).

For the years ended December 31, 2015, 2014 and 2013, the Company recognized related party revenues of $25.3 million, $28.4 million and $41.1 million, respectively, for the services provided to Cantor. These revenues are included as part of "Fees from related parties" in the Company's consolidated statements of operations.

In the U.S., Cantor and its affiliates provide the Company with administrative services and other support for which Cantor charges the Company based on the cost of providing such services. In connection with the services Cantor provides, the Company and Cantor entered into an employee lease agreement whereby certain employees of Cantor are deemed leased employees of the Company. For the years ended December 31, 2015, 2014 and 2013, the Company was charged $43.7 million, $34.3 million and $32.7 million, respectively, for the services provided by Cantor and its affiliates, of which $25.6 million, $22.2 million and $23.3 million, respectively, were to cover compensation to leased employees for the years ended December 31, 2015, 2014 and 2013. The fees paid to Cantor for administrative and support services, other than those to cover the compensation costs of leased employees, are included as part of "Fees to related parties" in the Company's consolidated statements of operations. The fees paid to Cantor to cover the compensation costs of leased employees are included as part of "Compensation and employee benefits" in the Company's consolidated statements of operations.

For the years ended December 31, 2015, 2014 and 2013, Cantor's share of the net profit in Tower Bridge was $2.0 million, $2.5 million and $0.1 million, respectively. Cantor's noncontrolling interest is included as part of "Noncontrolling interest in subsidiaries" in the Company's consolidated statements of financial condition.

Equity Method Investment

On June 3, 2014, the Company's Board of Directors and Audit Committee authorized the purchase of 1,000 Class B Units of LFI Holdings, LLC ("LFI"), a subsidiary of Cantor, representing 10% of the issued and outstanding Class B Units of LFI after giving effect to the transaction. On the same day, the Company completed the acquisition for $6.5 million and was granted an option to purchase an additional 1,000 Class B Units of LFI for an additional $6.5 million. LFI is a limited liability corporation headquartered in New York which is a technology infrastructure provider tailored to the financial sector. The Company accounts for the acquisition using the equity method.

Clearing Agreement with Cantor

The Company receives certain clearing services ("Clearing Services") from Cantor pursuant to its clearing agreement. These Clearing Services are provided in exchange for payment by the Company of third-party clearing costs and allocated costs. The costs associated with these payments are included as part of "Fees to related parties" in the Company's consolidated statements of operations.

Other Agreements with Cantor

The Company is authorized to enter into short-term arrangements with Cantor to cover any failed U.S. Treasury securities transactions and to share equally any net income resulting from such transactions, as well as any similar clearing and settlement issues. As of December 31, 2015 and December 31, 2014, the Company had not entered into any arrangements to cover any failed U.S. Treasury transactions.

To more effectively manage the Company's exposure to changes in foreign exchange rates, the Company and Cantor agreed to jointly manage the exposure. As a result, the Company is authorized to divide the quarterly allocation of any profit or loss relating to foreign exchange currency hedging between Cantor and the Company. The amount allocated to each party is based on the total net exposure for the Company and Cantor. The ratio of gross exposures of Cantor and the Company is utilized to determine the shares of profit or loss allocated to each for the period. During the years ended December 31, 2015, 2014 and 2013, the Company recognized its share of foreign exchange losses of $496 thousand, gains of $934 thousand and losses of $346 thousand, respectively. These gains and losses are included as part of "Other expenses" in the Company's consolidated statements of operations.

Pursuant to the separation agreement relating to the Company's acquisition of certain BGC businesses from Cantor in 2008, Cantor has a right, subject to certain conditions, to be the Company's customer and to pay the lowest commissions paid by any other customer, whether by volume, dollar or other applicable measure. In addition, Cantor has an unlimited right to internally use market data from the Company without any cost. Any future related-party transactions or arrangements between the Company and Cantor are subject to the prior approval by our Audit Committee. During the years ended December 31, 2015, 2014 and 2013, the Company recorded revenues from Cantor entities of $0.3 million, $0.4 million and $0.3 million, respectively, related to commissions paid to the Company by Cantor.

In March 2009, the Company and Cantor were authorized to utilize each other's brokers to provide brokerage services for securities not brokered by such entity, so long as, unless otherwise agreed, such brokerage services were provided in the ordinary course and on terms no less favorable to the receiving party than such services are provided to typical third-party customers.

In August 2013, the Audit Committee authorized the Company to invest up to $350 million in an asset-backed commercial paper program for which certain Cantor entities serve as placement agent and referral agent. The program issues short-term notes to money market investors and is expected to be used by the Company from time to time as a liquidity management vehicle. The notes are backed by assets of highly rated banks. The Company is entitled to invest in the program so long as the program meets investment policy guidelines, including related to ratings. Cantor will earn a spread between the rate it receives from the short-term note issuer and the rate it pays to the Company on any investments in this program. This spread will be no greater than the spread earned by Cantor for placement of any other commercial paper note in the program. As of December 31, 2015, the Company did not have any investments in the program and as of December 31, 2014, the Company had $125 million invested in the program, which is recorded in "Cash and cash equivalents" in the Company's consolidated statements of financial condition.

On June 5, 2015, the Company entered into an agreement with Cantor providing Cantor, CF Management Group, Inc. (“CFGM”) and other Cantor affiliates entitled to hold Class B common stock the right to exchange from time to time, on a one-to-one basis, subject to adjustment, up to an aggregate of 34,649,693 shares of Class A common stock now owned or subsequently acquired by such Cantor entities for up to an aggregate of 34,649,693 shares of Class B common stock. Such shares of Class B common stock, which currently can be acquired upon the exchange of exchangeable limited partnership units owned in BGC Holdings, are already included in the Company’s fully diluted share count and will not increase Cantor’s current maximum potential voting power in the common equity. These shares of Class B common stock represent the remaining 34,649,693 authorized but unissued shares of Class B common stock available under the Company’s Amended and Restated Certificate of Incorporation. The exchange agreement will enable the Cantor entities to acquire the same number of shares of Class B common stock that they are already entitled to acquire without having to exchange its exchangeable limited partnership units in BGC Holdings. The Company's Audit Committee and full Board of Directors determined that it was in the best interests of the Company and its stockholders to approve the exchange agreement because it will help ensure that Cantor retains its exchangeable limited partnership units in BGC Holdings, which is the same partnership in which the Company's partner employees participate, thus continuing to align the interests of Cantor with those of the partner employees.

Under the exchange agreement, Cantor Fitzgerald, L.P. ("CFLP") and CFGM have the right to exchange the 22,996,166 shares of Class A common stock owned by them as of December 31, 2015 (including the remaining shares of Class A common stock held by Cantor from the exchange of convertible notes for 24,042,599 shares of Class A common stock on April 13, 2015) for the same number of shares of Class B common stock. Cantor would also have the right to exchange any shares of Class A common stock subsequently acquired by it for shares of Class B common stock, up to the limit of the then-remaining authorized but unissued shares of Class B common stock (34,649,693 as of December 31, 2015).

The Company and Cantor have agreed that any shares of Class B common stock issued in connection with the exchange agreement would be deducted from the aggregate number of shares of Class B common stock that may be issued to the Cantor entities upon exchange of exchangeable limited partnership units in BGC Holdings. Accordingly, the Cantor entities will not be entitled to receive any more shares of Class B common stock under this agreement than they were previously eligible to receive upon exchange of exchangeable limited partnership units.

On June 23, 2015, the Audit Committee of the Company authorized management to enter into a revolving credit facility with Cantor of up to $150 million in aggregate principal amount pursuant to which Cantor or BGC would be entitled to borrow funds from each other from time to time. The outstanding balances would bear interest at the higher of the borrower's or the lender's short term borrowing rate then in effect plus 1%. On October 1, 2015, the Company borrowed $100.0 million under this facility (the "Cantor Loan"). The Company recorded interest expense related to the Cantor Loan of $0.8 million for the year ended December 31, 2015. The Cantor Loan was repaid by December 31, 2015. As of December 31, 2015, there were no borrowings outstanding under this facility.

Receivables from and Payables to Related Broker-Dealers

Amounts due to or from Cantor and Freedom International Brokerage, one of our equity method investments, are for transactional revenues under a technology and services agreement with Freedom International Brokerage as well as for open derivative contracts. These are included as part of "Receivables from broker-dealers, clearing organizations, customers and related broker-dealers" or "Payables to broker-dealers, clearing organizations, customers and related broker-dealers" in the Company's consolidated statements of financial condition. As of December 31, 2015 and December 31, 2014, the Company had receivables from Freedom International Brokerage of $4.1 million and $3.4 million, respectively. As of December 31, 2015 and December 31, 2014, the Company had $0.9 million and $3.1 million, respectively, in receivables from Cantor related to open derivative contracts. As of December 31, 2015 and December 31, 2014, the Company had $0.4 million and $0.2 million, respectively, in payables to Cantor related to open derivative contracts. Additionally, as of December 31, 2015, the Company had $4.6 million in payables to Cantor related to fails and equity trades pending settlement. As of December 31, 2014, the Company did not have any payables to Cantor related to fails and pending trades.

Loans, Forgivable Loans and Other Receivables from Employees and Partners, Net

The Company has entered into various agreements with certain employees and partners whereby these individuals receive loans which may be either wholly or in part repaid from the distribution earnings that the individuals receive on some or all of their limited partnership interests or may be forgiven over a period of time. The forgivable portion of these loans is recognized as compensation expense over the life of the loan. From time to time, the Company may also enter into agreements with employees and partners to grant bonus and salary advances or other types of loans. These advances and loans are repayable in the timeframes outlined in the underlying agreements.

As of December 31, 2015 and December 31, 2014, the aggregate balance of employee loans, net of reserve, was $158.2 million and $130.8 million, respectively, and is included as "Loans, forgivable loans and other receivables from employees and partners, net" in the Company's consolidated statements of financial condition. Compensation expense for the above mentioned employee loans for the years ended December 31, 2015, 2014 and 2013 was $86.7 million, $25.7 million and $195.0 million, respectively. The compensation expense related to these employee loans is included as part of "Compensation and employee benefits" in the Company's consolidated statements of operations.

8.75% Convertible Notes

On April 1, 2010, BGC Holdings issued an aggregate of $150.0 million principal amount of 8.75% Convertible Senior Notes due 2015 (the "8.75% Convertible Notes") to Cantor in a private placement transaction. The Company used the proceeds of the 8.75% Convertible Notes to repay at maturity $150.0 million aggregate principal amount of Senior Notes due April 1, 2010. On April 13, 2015, the Company's 8.75% Convertible Notes, due April 15, 2015, were fully converted into 24,042,599 shares of the Company's Class A common stock, par value $0.01 per share, and the shares were issued to Cantor Fitzgerald, L.P. as settlement of the notes. The Company recorded interest expense related to the 8.75% Convertible Notes of $3.8 million for the year ended December 31, 2015 and $13.1 million for the years ended December 31, 2014 and 2013. See Note 18—"Notes Payable, Collateralized and Short-Term Borrowings," for more information. On June 15, 2015, the Company filed a resale registration statement on Form S-3 pursuant to which 24,042,599 shares of Class A common stock may be sold from time to time by Cantor or by certain of its pledgees, donees, distributees, counterparties, transferees or other successors of interest of the shares, including banks or other financial institutions which may enter into stock pledge, stock loan or other financing transactions with Cantor or its affiliates, as well as by their respective pledgees, donees, distributees, counterparties, transferees or other successors in interest.

Controlled Equity Offerings and Other Transactions with CF&Co

As discussed in Note 7—"Stock Transactions and Unit Redemptions," the Company has entered into controlled equity offering sales agreements with CF&Co, as the Company's sales agent. For the years ended December 31, 2015, 2014 and 2013, the Company was charged approximately $1.2 million, $1.3 million and $0.9 million, respectively, for services provided by CF&Co related to the Company's controlled equity offering sales agreements. These expenses are included as part of "Professional and consulting fees" in the Company's consolidated statements of operations.

The Company has engaged CF&Co and its affiliates to act as financial advisor in connection with one or more third-party business combination transactions as requested by the Company on behalf of its affiliates from time to time on specified terms, conditions and fees. The Company may pay finders', investment banking or financial advisory fees to broker-dealers, including, but not limited to, CF&Co and its affiliates, from time to time in connection with certain business combination transactions, and, in some cases, the Company may issue shares of the Company's Class A common stock in full or partial payment of such fees.

On June 28, 2013, the Company completed the NASDAQ Transaction pursuant to the Purchase Agreement, dated as of April 1, 2013 (the "Purchase Agreement"). In the Purchase Agreement, the Company and Cantor agreed, subject to certain exceptions, not to engage in the business of fully electronic brokerage of benchmark on-the-run U.S. Treasuries and certain transactions in first off-the-run U.S. Treasuries for three years after the closing. The Company and Cantor received from NASDAQ a perpetual and royalty-free market data license and granted to NASDAQ a non-exclusive, irrevocable, royalty-free right and license to use any patents owned in the businesses covered by the Purchased Assets for U.S. Treasury securities transactions. CF&Co also agreed to provide NASDAQ with certain clearing and broker-dealer services for up to nine months following the closing. Also in connection with the sale of eSpeed, during the year ended December 31, 2013 the Company paid fees of $7.4 million to CF&Co. These costs are included as a reduction of the "Gain on divestiture and sale of investments" in the Company's consolidated statements of operations.

On December 9, 2014, the Company issued an aggregate of $300 million principal amount of 5.375% Senior Notes due in 2019 ("the 5.375% Senior Notes"). During the year ended December 31, 2014, the Company recorded $252 thousand in underwriting or advisory fees payable to CF&Co and $18 thousand to CastleOak, a registered broker dealer affiliate of Cantor, related to these Senior Notes. These fees were recorded as debt issuance costs and are amortized over the term of the notes.

On February 26, 2015, the Company completed the tender offer for GFI shares. In connection with the acquisition of GFI, during the year ended December 31, 2015, the Company recorded advisory fees of $7.1 million payable to CF&Co. These fees were included in "Professional and Consulting Fees" in the Company's consolidated statements of operations.

On May 7, 2015, GFI retained CF&Co to assist them in the sale of Trayport. During the year ended December 31, 2015, the Company recorded advisory fees of $5.1 million payable to CF&Co in connection with the sale of Trayport. These fees were netted against the gain on sale in "Gain on divestures and sale of investments" in the Company's consolidated statements of operations.

As of December 31, 2015, the Company has securities loaned transactions of $117.9 million with CF&Co. The market value of the securities lent was $116.3 million. As of December 31, 2015, the cash collateral received from CF&Co bore interest rates ranging from 0.80% to 1.00%. Securities loaned transactions are included in "Securities loaned" in the Company's consolidated statements of financial condition.

Under rules adopted by the Commodity Futures Trading Commission ("CFTC"), all foreign introducing brokers engaging in transactions with U.S. persons are required to register with the National Futures Association and either meet financial reporting and net capital requirements on an individual basis or obtain a guarantee agreement from a registered Futures Commission Merchant. From time to time, the Company's European-based brokers engage in interest rate swap transactions with U.S.-based counterparties, and therefore the Company is subject to the CFTC requirements. CF&Co has entered into guarantees on behalf of the Company, and the Company is required to indemnify CF&Co for the amounts, if any, paid by CF&Co on behalf of the Company pursuant to this arrangement. There have been no payments made pursuant to this arrangement.

Transactions with Cantor Commercial Real Estate Company, L.P.

On October 29, 2013, the Audit Committee of the Board of Directors authorized the Company to enter into agreements from time to time with Cantor and/or its affiliates, including Cantor Commercial Real Estate Company, L.P. ("CCRE"), to provide services, including finding and reviewing suitable acquisition or partner candidates, structuring transactions, negotiating and due diligence services, in connection with the Company's acquisition and other business strategies in commercial real estate and other businesses. Such services are provided at fees not to exceed the fully-allocated cost of such services plus 10%. In connection with this agreement, the Company did not recognize any expense for the years ended December 31, 2015 and 2014, and recognized $0.3 million of expense for the year ended December 31, 2013.

The Company also has a referral agreement in place with CCRE, in which brokers are incentivized to refer business to CCRE through a revenue-share arrangement. In connection with this revenue-share agreement, the Company recognized revenues of $2.0 million, $1.2 million and $1.5 million for the years ended December 31, 2015, 2014 and 2013, respectively. This revenue was recorded as part of “Commissions” in the Company’s consolidated statements of operations.

Cantor Rights to Purchase Limited Partnership Interests from BGC Holdings

Cantor has the right to purchase limited partnership interests (Cantor units) from BGC Holdings upon redemption of non-exchangeable FPUs redeemed by BGC Holdings upon termination or bankruptcy of the founding/working partner. Any such Cantor units purchased by Cantor are exchangeable for shares of Class B common stock or, at Cantor’s election or if there are no additional authorized but unissued shares of Class B common stock, shares of Class A common stock, in each case on a one-for-one basis (subject to customary anti-dilution adjustments).

On July 21, 2014, the Company issued exchange rights with respect to, and Cantor purchased, an aggregate of 3,142,257 exchangeable limited partnership units in BGC Holdings consisting of (i) 1,371,058 such units in connection with the redemption by BGC Holdings of an aggregate of 1,371,058 non-exchangeable founding partner units from former Cantor partners who were former founding partners of BGC Holdings, and (ii) 1,771,199 such units in connection with the grant of exchangeability to 1,771,199 units held by former Cantor partners who were former founding partners of BGC Holdings. Such exchangeable limited partnership units were exchangeable by Cantor at any time on a one-for-one basis for shares of common stock of the Company. The aggregate net purchase price paid by Cantor for such units was $10.6 million. Immediately after Cantor’s purchases of such exchangeable limited partnership units, also on July 21, 2014, the Company purchased from Cantor an aggregate of 5 million units and shares, consisting of (i) all of such 3,142,257 units and (ii) 1,857,743 previously owned shares of the Company’s Class A common stock, for $38.7 million based on the closing price per share of the Class A common stock on the date of such purchases.

On November 4, 2015, the Company issued exchange rights with respect to, and Cantor purchased, in transactions exempt from registration pursuant to Section 4(a)(2) of the Securities Act, an aggregate of 1,775,481 exchangeable limited partnership units in BGC Holdings, as follows: In connection with the redemption by BGC Holdings of an aggregate of 588,356 non-exchangeable founding partner units from founding partners of BGC Holdings for an aggregate consideration of $2,296,801, Cantor purchased 554,196 exchangeable limited partnership units from BGC Holdings for an aggregate of $2,115,306 (after offset of a founding partner’s $46,289 debt due to Cantor). In addition, pursuant to the Sixth Amendment to the BGC Holdings Limited Partnership Agreement, on November 4, 2015 Cantor purchased 1,221,285 exchangeable limited partnership units from BGC Holdings for an aggregate consideration of $4,457,436 in connection with the grant of exchangeability and exchange of 1,221,285 founding partner units. Exchangeable limited partnership units held by Cantor are exchangeable by Cantor at any time on a one-for-one basis (subject to adjustment) for shares of Class A common stock of the Company.

As of December 31, 2015, there were 219,270 non-exchangeable FPUs remaining in which BGC Holdings had the right to redeem and Cantor had the right to purchase an equivalent number of Cantor units.

Transactions with Executive Officers and Directors

During the year ended December 31, 2013, the Company repurchased 33,478 shares of Class A common stock, at an average price of $5.61 per share, from Stephen M. Merkel, the Company’s Executive Vice President, General Counsel and Secretary, and 533,406 shares of Class A common stock, at an average price of $5.82 per share, from Shaun D. Lynn, the Company’s President.

In connection with the Global Partnership Restructuring Program during the second quarter of 2013, the Company redeemed/exchanged a total of 9,930,675 previously issued limited partnership units for 3,553,345 shares of Class A common stock and 3,561,392 shares of restricted stock from the Company’s executive officers. The number of shares delivered to the executive officers was net of 1,028,128 shares withheld to pay withholding taxes. These shares were awarded to the executive officers on July 30, 2013. In connection with the Global Partnership Restructuring Program, Mr. Lutnick elected to exercise certain cumulative rights previously granted to him with respect to an aggregate of 1,802,608 of his non-exchangeable partnership units, which resulted in the receipt of shares of Class A common stock for such units.

In addition, in connection with the foregoing, Messrs. Lynn, Windeatt and Sadler received an aggregate of 283,206 newly-issued BGC Holdings limited partnership units (equivalent to 9.75% of their non-exchangeable units that were redeemed in the above transactions). Upon any sale or other transfer by such executive officers of shares of restricted stock, a proportional number of these limited partnership units will be redeemed for zero by BGC Holdings. These units are not exchangeable into shares of Class A common stock.

On January 21, 2014, the Compensation Committee authorized the acceleration of restrictions with respect to an aggregate of 1,254,723 shares of restricted Class A common stock held by the Company’s executive officers as follows: Mr. Lutnick, 628,872 shares (Mr. Lutnick does not currently intend to sell any of these shares); Mr. Lynn, 424,347 shares; Mr. Merkel, 14,689 shares; Mr. Windeatt, 146,843 shares; and Mr. Sadler, 39,972 shares. The Compensation Committee authorized the Company to repurchase any or all of such shares from the executive officers at a price of $6.51 per share, which was the closing price of our Class A common stock on January 21, 2014.

On February 5, 2014, certain executive officers elected to sell, and we agreed to purchase, an aggregate of 636,841 shares of Class A common stock from such executive officers at a price of $6.51 per share as follows: Mr. Lynn, 424,347 shares; Mr. Merkel, 14,689 shares; Mr. Windeatt, 157,833 shares (of which 146,843 shares were previously restricted and an additional 10,990 freely tradable shares); and Mr. Sadler, 39,972 shares.

On May 9, 2014, partners of BGC Holdings approved the Tenth Amendment to the Agreement of Limited Partnership of BGC Holdings (the "Tenth Amendment") effective as of May 9, 2014. In order to facilitate partner compensation and for other corporate purposes the Tenth Amendment creates a new class of partnership units ("NPSUs"), which are working partner units.

NPSUs are not entitled to participate in Partnership distributions, will not be allocated any items of profit or loss and may not be made exchangeable into shares of the Company's Class A common stock. Subject to the approval of the Compensation Committee or its designee, N Units are expected to be exchanged for the underlying unit type (i.e. an NREU will be converted into an REU) and will then participate in Partnership distributions, subject to terms and conditions determined by the General Partner of the Partnership in its sole discretion, including that the recipient continue to provide substantial services to the Company and comply with his or her partnership obligations. The Tenth Amendment was approved by the Audit Committee of the Board of Directors and by the full Board of Directors.

On January 1, 2015, (i) 1,000,000 of Mr. Lutnick's NPSUs converted into 550,000 PSUs and 450,000 PPSUs, of which Mr. Lutnick has the right to exchange for shares and cash, which he waived under our policy (described below), 239,739 PSUs and 196,150 PPSUs, and (ii) 142,857 of Mr. Merkel's NPSUs converted into 78,571 PSUs and 64,286 PPSUs, of which 5,607 PSUs and 4,588 PPSUs were made exchangeable and repurchased by the Company at the average price of shares of Class A common stock sold under our Controlled Equity Offering less 2%, or $91,558.

On January 30, 2015, the Compensation Committee granted 4,000,000 NPSUs to Mr. Lutnick and 1,000,000 NPSUs to Mr. Lynn. One-quarter of the NPSUs vested on January 1, 2016 and were converted into an equivalent number PSUs/PPSUs for Mr. Lutnick and LPUs/PLPUs for Mr. Lynn on such date. Subject to the approval of the Compensation Committee each year, the remaining NPSUs may be converted pro rata into an equivalent number of PSUs/PPSUs for Mr. Lutnick and LPUs/PLPUs for Mr. Lynn on January 1 of each year beginning on January 1, 2017 and ending January 1, 2020. The grant of exchange rights with respect to such PSUs/PPSUs and LPUs/PLPUs will be determined in accordance with the Company's practices when determining discretionary bonuses or awards, which may include the Compensation Committee's exercise of negative discretion to reduce or withhold any such awards.

Transactions with Relief Fund

During the year ended December 31, 2013, the Company issued and donated an aggregate of 1,000,000 shares of Class A common stock to The Cantor Fitzgerald Relief Fund (the "Relief Fund") in connection with the Company's annual Charity Day. During the year ended December 31, 2014, the Company made a $1.0 million payment to the Relief Fund in connection with the Company's annual Charity Day. During the year ended December 31, 2015, the Company issued an interest-free loan to the Relief Fund for $1.0 million in connection with the Company's annual Charity Day. As a result of the loan, the Relief Fund issued a promissory note to the Company to repay the principal of $1.0 million on August 4, 2016.

During the years ended December 31, 2015 and 2013, the Company committed to make charitable contributions to the Relief Fund in the amounts of $40.0 million and $25.0 million, respectively, which the Company recorded in "Other expenses" in the Company's consolidated statements of operations for the years ended December 31, 2015 and 2013, respectively. As of December 31, 2015, the remaining liability associated with these commitments was $55.5 million, which is included in "Accounts payable, accrued and other liabilities" in the Company's consolidated statements of financial condition.

Other Transactions

The Company is authorized to enter into loans, investments or other credit support arrangements for Aqua Securities L.P. ("Aqua"), an alternative electronic trading platform that offers new pools of block liquidity to the global equities markets, such arrangements are proportionally and on the same terms as similar arrangements between Aqua and Cantor. On October 27, 2015, the Company's Board of Directors and Audit Committee increased the authorized amount by an additional $4.0 million, to $15.6 million. The Company has been further authorized to provide counterparty or similar guarantees on behalf of Aqua from time to time, provided that liability for any such guarantees, as well as similar guarantees provided by Cantor, would be shared proportionally with Cantor. Aqua is 51% owned by Cantor and 49% owned by the Company. Aqua is accounted for under the equity method of accounting. During the years ended December 31, 2015 and 2014, the Company made $1.3 million and $0.9 million, respectively, in cash contributions to Aqua. These contributions are recorded as part of "Investments" in the Company's consolidated statements of financial condition.

The Company has also entered into a Subordinated Loan Agreement with Aqua, whereby the Company agreed to lend Aqua the principal sum of $980 thousand. The scheduled maturity date on the subordinated loan is September 1, 2017, and the current rate of interest on the loan is three month LIBOR plus 600 basis points. The loan to Aqua is recorded as part of "Receivables from related parties" in the Company's consolidated statements of financial condition.

15. Investments

Equity Method and Similar Investments

(in thousands)	Percent Ownership [1]	December 31, 2015	December 31, 2014
Advance Markets Holdings	42%	$ 10,584	$ —
Freedom International Brokerage	45%	8,305	7,833
LFI	10%	5,113	5,847
China Credit BGC Money Broking Company Limited	33%	4,213	3,002
Qubed Derivatives	35%	1,620	—
Other		2,442	710
Equity method investments		$ 32,277	$ 17,392

1 Represents the Company's voting interest in the equity method investment as of December 31, 2015.

The Company recognized a gain of $0.8 million, and losses of $8.6 million and $9.5 million related to its equity method investments for the years ended December 31, 2015, 2014, and 2013, respectively. The Company's share of the gains or losses is reflected in "Gains (losses) on equity method investments" in the Company's consolidated statements of operations. As a result of the GFI acquisition, the Company also had certain investments in brokerage businesses in which the Company had a contractual right to receive a percentage of revenues, less certain direct expenses. The Company accounted for these investments in a manner similar to the equity method of accounting. The sale of KBL (see Note 5–"Divestitures") in May 2015 included these investments. Through the date of sale, the Company's share of gain on these investments was $1.0 million. The Company's total share of gains and losses is reflected in "Gains (losses) on equity method investments" in the Company's consolidated statement of operations.

In June 2013, the Company acquired a controlling interest in an entity that had previously been accounted for using the equity method. This transaction resulted in the consolidation of the entity in the Company's consolidated financial statements. In June 2014, the Company acquired a 10% interest in a limited liability corporation (see Note 14—"Related Party Transactions" for more information).

On December 23, 2014, ELX, which had previously been accounted for using the equity method, was consolidated into the Company's financial statements.

Summarized condensed financial information for the Company's equity method investments is as follows (in thousands):

	Year Ended December 31, 2015	2014	2013
Statements of operations:			
Total revenues	$65,430	$ 49,460	$ 49,033
Total expenses	67,711	68,973	64,987
Net loss	$ (2,281)	$(19,513)	$(15,954)

	December 31, 2015	2014
Statements of financial condition:		
Cash and cash equivalents	$51,971	$15,187
Fixed assets, net	4,570	3,927
Other assets	11,479	9,712
Total assets	$68,020	$28,826
Payables to related parties	9,493	3,747
Other liabilities	32,536	8,137
Total equity and partners' capital	25,991	16,942
Total liabilities, equity and partners' capital	$68,020	$28,826

See Note 14—"Related Party Transactions," for information regarding related party transactions with unconsolidated entities included in the Company's consolidated financial statements.

Investments in Variable Interest Entities

Certain of the Company’s equity method investments included in the tables above are considered Variable Interest Entities (“VIEs”), as defined under the accounting guidance for consolidation. The Company is not considered the primary beneficiary of, and therefore does not consolidate, these VIEs. The Company’s involvement with such entities is in the form of direct equity interests and related agreements. The Company’s maximum exposure to loss with respect to the VIEs is its investment in such entities as well as a credit facility and a subordinated loan.

The following table sets forth the Company's investment in its unconsolidated VIEs and the maximum exposure to loss with respect to such entities as of December 31, 2015 and December 31, 2014. The amounts presented in the "Investment" column below are included in, and not in addition to, the equity method investment table above (in thousands):

	December 31, 2015		December 31, 2014	
	Investment	Maximum Exposure to Loss	Investment	Maximum Exposure to Loss
Variable interest entities [1]	$ 3,858	$ 4,838	$ 710	$ 1,690

1 The Company has entered into a subordinated loan agreement with a VIE (Aqua), whereby the Company agreed to lend the principal sum of $980 thousand. As of December 31, 2015, the Company's maximum exposure to loss with respect to its VIEs includes the sum of its equity investments in its unconsolidated VIEs and the $980 thousand subordinated loan to Aqua.

Consolidated VIE

Through the acquisition of GFI, the Company is invested in a limited company that is focused on developing a proprietary trading business. The limited company is a VIE and it was determined that the Company is the primary beneficiary of this VIE because the Company, through GFI, was the provider of the majority of this VIE's start-up capital and has the power to direct the activities of this VIE that most significantly impact its economic performance, primarily through its voting percentage and consent rights on the activities that would most significantly influence the entity. The consolidated VIE had total assets of $9.5 million at December 31, 2015, which primarily consisted of clearing margin. There were no material restrictions on the consolidated VIE's assets. The consolidated VIE had total liabilities of $1.5 million at December 31, 2015. The Company's exposure to economic loss on this VIE is approximately $5.8 million.

Cost Method Investments

As a result of the GFI acquisition, the Company acquired investments for which it did not have the ability to exert significant influence over operating and financial policies. These investments are generally accounted for using the cost method of accounting in accordance with ASC 325-10, Investments—Other. At December 31, 2015, the carrying value of these cost method investments was $1.5 million.

16. Fixed Assets, Net

Fixed assets, net consisted of the following (in thousands):

	December 31, 2015	December 31, 2014
Computer and communications equipment	$ 142,511	$ 151,808
Software, including software development costs	140,416	103,872
Leasehold improvements and other fixed assets	137,736	105,389
	420,663	361,069
Less: accumulated depreciation and amortization	274,790	249,049
Fixed assets, net	$ 145,873	$ 112,020

Depreciation expense was $31.9 million, $29.1 million and $32.7 million for the years ended December 31, 2015, 2014 and 2013, respectively. Depreciation is included as part of "Occupancy and equipment" in the Company's consolidated statements of operations.

The Company has approximately $6.4 million of asset retirement obligations related to certain of its leasehold improvements. The associated asset retirement cost is capitalized as part of the carrying amount of the long-lived asset. The liability is discounted and accretion expense is recognized using the credit adjusted risk-free interest rate in effect when the liability was initially recognized.

For the years ended December 31, 2015, 2014 and 2013, software development costs totaling $18.5 million, $12.7 million and $15.0 million, respectively, were capitalized. Amortization of software development costs totaled $22.9 million, $11.4 million and $9.0 million for the years ended December 31, 2015, 2014 and 2013, respectively. Amortization of software development costs is included as part of "Occupancy and equipment" in the Company's consolidated statements of operations.

Impairment charges of $19.1 million, $4.2 million and $6.1 million were recorded for the years ended December 31, 2015, 2014 and 2013, respectively, related to the evaluation of capitalized software projects for future benefit and for fixed assets no longer in service. In connection with the acquisition of GFI, the Company evaluated the combined portfolios of capitalized software projects and fixed assets and, as a result, identified certain redundancies and assets no longer in service which resulted in impairment charges. The impairment charges for the years ended December 31, 2015 and 2014 were related to the Financial Services segment. Impairment charges related to capitalized software and fixed assets are reflected in "Occupancy and equipment" in the Company's consolidated statements of operations.

As a result of the sale of eSpeed, the Company sold fixed assets with a carrying value of approximately $13.5 million (see Note 5—“Divestitures”).

17. Goodwill and Other Intangible Assets, Net

The changes in the carrying amount of goodwill by reportable segment for the years ended December 31, 2015 and 2014 were as follows (in thousands):

	Financial Services	Real Estate Services	Total
Balance at December 31, 2013	$ 85,163	$ 78,176	$ 163,339
Acquisitions	51,952	180,588	232,540
Measurement period adjustments	223	(1,092)	(869)
Cumulative translation adjustment	(2,440)	—	(2,440)
Balance at December 31, 2014	$ 134,898	$ 257,672	$ 392,570
Acquisitions	453,833	127,685	581,518
Divestitures	(163,300)	—	(163,300)
Measurement period adjustments	(2,658)	7,480	4,822
Cumulative translation adjustment	(3,844)	—	(3,844)
Balance at December 31, 2015	$ 418,929	392,837	$ 811,766

During the year ended December 31, 2015, the Company recognized additional goodwill of approximately $453.8 million and $127.7 million, which was allocated to the Company’s Financial Services segment and the Company’s Real Estate Services segment, respectively. During the year ended December 31, 2014, the Company recognized additional goodwill of approximately $52.0 million and $180.6 million, which was allocated to the Company’s Financial Services segment and the Company’s Real Estate Services segment, respectively. See Note 4—“Acquisitions” for more information.

During the year ended December 31, 2015, the Company completed the sale of its Trayport business, which is reflected in the reductions of goodwill recorded at the Company’s Financial Services segment. See Note 5—“Divestitures” for more information.

During the year ended December 31, 2015, the Company recognized measurement period adjustments of approximately $(2.7) million relating to Financial Services, and $7.5 million for Real Estate Services. During the year ended December 31, 2014, the Company recognized measurement period adjustments of approximately $0.2 million relating to Financial Services, and $(1.1) million for Real Estate Services. The Company considers the adjustments insignificant to its consolidated financial statements and accordingly the Company’s consolidated statements of financial condition at December 31, 2014 and December 31, 2013, were not retrospectively adjusted.

Goodwill is not amortized and is reviewed annually for impairment or more frequently if impairment indicators arise, in accordance with FASB guidance on Goodwill and Other Intangible Assets. The Company completed its annual goodwill impairment testing during the fourth quarter of 2015, which did not result in any goodwill impairment.

Other intangible assets consisted of the following (in thousands, except weighted average life):

	December 31, 2015			
	Gross Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Life (Years)
Definite life intangible assets:				
Patents	$ 8,144	$ 6,944	$ 1,200	2.4
Acquired intangibles	177,858	37,996	139,862	13.9
Noncompete agreements	1,790	1,790	—	—
All other	2,127	977	1,150	3.3
Total definite life intangible assets	189,919	47,707	142,212	13.7
Indefinite life intangible assets:				
Trade names	90,255	—	90,255	N/A
Horizon license	1,500	—	1,500	N/A
Total indefinite life intangible assets	91,755	—	91,755	N/A
Total	$ 281,674	47,707	$ 233,967	13.7

	December 31, 2014			
	Gross Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Life (Years)
Definite life intangible assets:				
Patents	$ 7,554	$ 6,336	$ 1,218	2.3
Acquired intangibles	28,004	14,815	13,189	2.1
Noncompete agreements	1,790	1,436	354	0.8
All other	2,182	1,148	1,034	4.2
Total definite life intangible assets	39,530	23,735	15,795	2.2
Indefinite life intangible assets:				
Trade names	10,685	—	10,685	N/A
Horizon license	1,500	—	1,500	N/A
Total indefinite life intangible assets	12,185	—	12,185	N/A
Total	$ 51,715	$ 23,735	$ 27,980	2.2

Intangible amortization expense was $27.2 million, $4.2 million and $5.5 million for the years ended December 31, 2015, 2014 and 2013, respectively. Intangible amortization is included as part of “Other expenses” in the Company’s consolidated statements of operations.

The estimated future amortization expense of definite life intangible assets as of December 31, 2015 is as follows (in millions):

2016	$ 19.7
2017	16.3
2018	12.4
2019	11.0
2020	9.4
2021 and thereafter	73.4
Total	$142.2

18. Notes Payable, Collateralized and Short-Term Borrowings

Notes payable, collateralized and short-term borrowings consisted of the following (in thousands):

	December 31, 2015	December 31, 2014
8.75% Convertible Notes	$ —	$ 150,000
4.50% Convertible Notes	157,332	152,527
8.125% Senior Notes	109,147	109,022
5.375% Senior Notes	296,100	295,151
8.375% Senior Notes	255,300	—
Collateralized borrowings	22,998	—
Total	$ 840,877	$ 706,700

The Company's Convertible Notes and Senior Notes are recorded at amortized cost. As of December 31, 2015 and 2014, the carrying amounts and estimated fair values of the Company's Convertible Notes and Senior Notes were as follows (in thousands):

	December 31, 2015		December 31, 2014	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
8.75% Convertible Notes	$ —	$ —	$ 150,000	$220,213
4.50% Convertible Notes	157,332	173,700	152,527	170,800
8.125% Senior Notes	109,147	121,095	109,022	123,075
5.375% Senior Notes	296,100	309,750	295,151	295,500
8.375% Senior Notes	255,300	263,724	—	—
Total	$ 817,879	$868,269	$ 706,700	$809,588

The fair value of the 8.75% Convertible Notes was estimated based on a jump-diffusion convertible pricing model, which among other inputs incorporates the scheduled coupon and principal payments, the conversion feature inherent in the 8.75% Convertible Notes, the Company's Class A common stock price and a stock price volatility assumption. The stock price volatility assumptions are based on the historic volatility of the Company's Class A common stock. The fair value measurements of the 8.75% Convertible Notes are based on significant inputs observable in the market and are considered Level 2 within the fair value hierarchy. The fair values of the Senior Notes and 4.50% Convertible Notes were determined using observable market prices as these securities are traded and are considered Level 1 and Level 2, respectively, within the fair value hierarchy, based on whether they are deemed to be actively traded.

Convertible Notes

On April 1, 2010, BGC Holdings issued an aggregate of $150.0 million principal amount of the 8.75% Convertible Notes to Cantor in a private placement transaction. The Company used the proceeds of the 8.75% Convertible Notes to repay $150.0 million principal amount of Senior Notes that matured on April 1, 2010. The 8.75% Convertible Notes were senior unsecured obligations and ranked equally and ratably with all existing and future senior unsecured obligations of the Company. The 8.75% Convertible Notes bore an annual interest rate of 8.75%, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2010. On April 13, 2015, the Company's 8.75% Convertible Notes were fully converted into 24,042,599 shares of the Company's Class A common stock, par value $0.01 per share, and issued to Cantor Fitzgerald L.P. The Company recorded interest expense related to the 8.75% Convertible Notes of $3.8 million for the year ended December 31, 2015 and $13.1 million for the years ending December 31, 2014 and 2013, respectively.

On July 29, 2011, the Company issued an aggregate of $160.0 million principal amount of 4.50% Convertible Notes due 2016. The 4.50% Convertible Notes are general senior unsecured obligations of the Company. The 4.50% Convertible Notes pay interest semiannually at a rate of 4.50% per annum and were priced at par. The 4.50% Convertible Notes will mature on July 15, 2016, unless earlier repurchased, exchanged or converted. The Company recorded interest expense related to the 4.50% Convertible Notes of $12.0 million, $11.9 million and $11.7 million for the years ended December 31, 2015, 2014 and 2013, respectively.

As of December 31, 2015, the 4.50% Convertible Notes were convertible, at the holder's option, at a conversion rate of 101.6260 shares of Class A common stock per $1,000 principal amount of notes, subject to adjustment in certain circumstances, including stock dividends and stock splits on the Class A common stock and the Company's payment of a quarterly cash dividend in excess of $0.17 per share of Class A common stock. Upon conversion, the Company will pay or deliver cash, shares of the Company's Class A common stock, or a combination thereof at the Company's election. As of December 31, 2015, the 4.50% Convertible Notes were convertible into approximately 16.3 million shares of Class A common stock.

As prescribed by FASB guidance, *Debt* , the Company recognized the value of the embedded conversion feature of the 4.50% Convertible Notes as an increase to "Additional paid-in capital" of approximately $19.0 million on a pre-tax basis ($16.1 million net of taxes and issuance costs). The embedded conversion feature was measured as the difference between the proceeds received and the fair value of a similar liability without the conversion feature. The value of the conversion feature is treated as a debt discount and reduced the initial carrying value of the 4.50% Convertible Notes to $137.2 million, net of debt issuance costs of $3.8 million allocated to the debt component of the instrument. The discount is amortized as interest cost and the carrying value of the 4.50% Convertible Notes will accrete up to the face amount over the term of the 4.50% Convertible Notes.

In connection with the offering of the 4.50% Convertible Notes, the Company entered into capped call transactions, which are expected to reduce the potential dilution of the Company's Class A common stock upon any conversion of the 4.50% Convertible Notes in the event that the market value per share of the Company's Class A common stock, as measured under the terms of the capped call transactions, is greater than the strike price of the capped call transactions ($10.78 as of December 31, 2015, subject to adjustment in certain circumstances). The capped call transactions had a cap price equal to $13.48 per share as of December 31, 2015. The purchase price of the capped call transactions resulted in a decrease to "Additional paid-in capital" of $11.4 million on a pre-tax basis ($9.9 million on an after-tax basis). The capped call transactions cover approximately 14.8 million shares of BGC's Class A common stock as of December 31, 2015, subject to adjustment in certain circumstances.

Below is a summary of the Company's Convertible Notes (in thousands, except share and per share amounts):

	4.50% Convertible Notes		8.75% Convertible Notes	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Principal amount of debt component	$ 160,000	$ 160,000	$ —	$ 150,000
Unamortized discount	(2,668)	(7,473)	—	—
Carrying amount of debt component	157,332	152,527	—	150,000
Equity component	18,972	18,972	—	—
Effective interest rate	7.61%	7.61%	—	8.75%
Maturity date (period through which discount is being amortized)	7/15/2016	7/15/2016	4/15/2015	4/15/2015
Conversion price	$ 9.84	$ 9.84	$ —	$ 6.25
Number of shares to be delivered upon conversion	16,260,160	16,260,160	—	23,990,604
Amount by which the notes' if-converted value exceeds their principal amount	$ —	$ —	$ —	$ 69,514

Below is a summary of the interest expense related to the Company's Convertible Notes (in thousands):

	4.50% Convertible Notes For the year ended		8.75% Convertible Notes For the year ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Coupon interest	$ 7,200	$ 7,200	$ 3,828	$ 13,125
Amortization of discount	4,805	4,659	—	—
Total interest expense	$ 12,005	$ 11,859	$ 3,828	$ 13,125

8.125% Senior Notes

On June 26, 2012, the Company issued an aggregate of $112.5 million principal amount of 8.125% Senior Notes due 2042. The 8.125% Senior Notes are senior unsecured obligations of the Company. The 8.125% Senior Notes may be redeemed for cash, in whole or in part, on or after June 26, 2017, at the Company's option, at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. The 8.125% Senior Notes are listed on the New York Stock Exchange under the symbol "BGCA." The Company used the proceeds to repay short-term borrowings under its unsecured revolving credit facility and for general corporate purposes, including acquisitions.

The initial carrying value of the 8.125% Senior Notes was $108.7 million, net of debt issuance costs of $3.8 million. The issuance costs are amortized as interest cost, and the carrying value of the 8.125% Senior Notes will accrete up to the face amount over the term of the 8.125% Senior Notes. The Company recorded interest expense related to the 8.125% Senior Notes of $9.3 million for the years ended December 31, 2015, 2014 and 2013, respectively.

5.375% Senior Notes

On December 9, 2014, the Company issued an aggregate of $300.0 million principal amount of 5.375% Senior Notes due 2019 ("the 5.375% Senior Notes"). The 5.375% Senior Notes are general senior unsecured obligations of the Company. These Senior Notes bear interest at a rate of 5.375% per year, payable in cash on June 9 and December 9 of each year, commencing June 9, 2015. The interest rate payable on the notes will be subject to adjustments from time to time based on the debt rating assigned by specified rating agencies to the notes, as set forth in the Indenture. The 5.375% Senior Notes will mature on December 9, 2019. The Company may redeem some or all of the notes at any time or from time to time for cash at certain "make-whole" redemption prices (as set forth in the Indenture). If a "Change of Control Triggering Event" (as defined in the Indenture) occurs, holders may require the Company to purchase all or a portion of their notes for cash at a price equal to 101% of the principal amount of the notes to be purchased plus any accrued and unpaid interest to, but excluding, the purchase date.

The initial carrying value of the 5.375% Senior Notes was $295.1 million, net of the discount and debt issuance costs of $4.9 million. The issuance costs are amortized as interest cost, and the carrying value of the 5.375% Senior Notes will accrete up to the face amount over the term of the notes. The Company recorded interest expense related to the 5.375% Senior Notes of $17.1 million and $1.0 million for the years ended December 31, 2015 and 2014, respectively. There was no interest expense related to the 5.375% Senior Notes for the year ended December 31, 2013.

8.375% Senior Notes

As part of the GFI acquisition, the Company assumed $240.0 million in aggregate principal amount of 8.375% Senior Notes (the "8.375% Senior Notes") due July 2018. The carrying value of these notes as of December 31, 2015 was $255.3 million. Interest on these notes is payable, semi-annually in arrears on the 19th of January and July. Due to the cumulative effect of downgrades to the credit rating of GFI's 8.375% Senior Notes, the 8.375% Senior Notes were subjected to 200 basis points penalty interest. On April 28, 2015, a subsidiary of the Company purchased from GFI approximately 43.0 million new shares of GFI common stock. This increased BGC's ownership to approximately 67% of GFI's outstanding common stock and gave us the ability to control the timing and process with respect to a full merger. Also on July 10, 2015, the Company guaranteed the obligations of GFI under the 8.375% Senior Notes. These actions resulted in upgrades of the credit ratings of GFI's 8.375% Senior Notes by Moody's Investors Service, Fitch Ratings Inc. and Standard & Poor's, which reduced the penalty interest to 25 basis points effective July 19, 2015. In addition, on January 13, 2016, Moody's further upgraded the credit rating on GFI's 8.375% Senior Notes, eliminating the penalty interest. The Company recorded interest expense related to the 8.375% Senior Notes of $19.2 million for the year ended December 31, 2015.

Collateralized Borrowings

Secured loan arrangements

On various dates beginning in 2009 and most recently in December 2012, the Company entered into secured loan arrangements under which it pledged certain fixed assets as security for loans. The secured loan arrangements had fixed rates between 2.62% and 8.09% per annum and were repayable in consecutive monthly installments with the final payments due in December 2016. During the year ended December 31, 2014, the Company prepaid $1.5 million related to the secured loan arrangements; therefore, these secured loan arrangements were not outstanding as of December 31, 2015 or 2014. The Company recorded interest expense related to these secured loan arrangements of $4 thousand and $1.6 million for the years ended December 31, 2014, and 2013 respectively.

On March 13, 2015, the Company entered into a new secured loan arrangement of $28.2 million under which it pledged certain fixed assets as security for a loan. This arrangement incurs interest at a fixed rate of 3.70% and matures on March 13, 2019. As of December 31, 2015, the Company had $23.0 million outstanding related to this secured loan arrangement, which includes $0.2 million of deferred financing costs. The value of the fixed assets pledged as of December 31, 2015 was $11.4 million. The Company recorded interest expense related to this secured loan arrangement of $0.8 million year ended December 31, 2015.

Sale/leaseback transactions

On various dates during the years ended December 31, 2010 and 2011, the Company sold certain furniture, equipment and software for $34.2 million, net of costs and concurrently entered into agreements to lease the property back. The principal and interest on the leases were repayable in equal monthly installments for terms of 36 months (software) and 48 months (furniture and equipment) with maturities through September 2014.

During the year ended December 31, 2013, the Company terminated the leases and prepaid the outstanding balance of $7.2 million. Because the leases were terminated during the year ended December 31, 2013, the Company had no outstanding balance or fixed assets related to the leases as of December 31, 2014 nor December 31, 2015. The Company recorded interest expense of $0.7 million for the year ended December 31, 2013.

Credit Agreement

On June 23, 2011, the Company entered into a credit agreement with a bank syndicate (the "Credit Agreement") which provided for up to $130.0 million of unsecured revolving credit through October 23, 2013. The Credit Agreement matured on October 23, 2013, with no borrowings outstanding. The Company did not record any interest expense related to the Credit Agreement for the years ended December 31, 2015 and 2014. The Company recorded interest expense related to the Credit Agreement of $0.4 million for the year ended December 31, 2013.

As part of the GFI acquisition, the Company acquired a credit agreement as amended (the "GFI Credit Agreement") with Bank of America, N.A. and certain other lenders, which provided for maximum revolving loans of up to $75.0 million. The amount outstanding was repaid by the Company on October 2, 2015, prior to the sale of the Company's Trayport division. For the year ended December 31, 2015, the Company recorded interest expense related to the GFI Credit Agreement of $1.9 million.

On October 1, 2015, the Company entered into a previously authorized $150.0 million revolving credit facility (the “Facility”) with Cantor and borrowed $100.0 million under such facility (the “Cantor Loan”). The Cantor Loan bears interest at the rate of LIBOR plus 3.25% and may be adjusted based on Cantor’s short-term borrowing rate then in effect plus 1%. The Facility has a maturity date of August 10, 2017. The Company recorded interest expense related to the Cantor Loan of $0.8 million for the year ended December 31, 2015. The Cantor Loan was repaid by December 31, 2015.

On December 24, 2015 we entered into a committed unsecured credit agreement with Bank of America, N.A. The credit agreement provides for maximum revolving loans of $25.0 million through March 24, 2016. The interest rate on this facility is LIBOR plus 200 basis points. There were no borrowings outstanding under the facility as of December 31, 2015.

19. Compensation

The Company’s Compensation Committee may grant various equity-based awards, including restricted stock units, restricted stock, stock options, limited partnership units and exchange rights for shares of the Company’s Class A common stock upon exchange of limited partnership units and FPUs. On June 2, 2015, at our Annual Meeting of Stockholders of the Company, the stockholders approved the Fifth Amendment and Restatement to the Amended and Restated Long Term Incentive Plan (the “Equity Plan”) to increase from 300 million to 350 million the aggregate number of shares of Class A common stock of the Company that may be delivered or cash settled pursuant to awards granted during the life of the Equity Plan. As of December 31, 2015, the limit on the aggregate number of shares authorized to be delivered allowed for the grant of future awards relating to 180.0 million shares. Upon vesting of RSUs, issuance of restricted stock or exercise of employee stock options, the Company generally issues new shares of the Company’s Class A common stock.

Limited Partnership Units

A summary of the activity associated with limited partnership units is as follows:

	Number of Units
Balance at December 31, 2012	68,480,097
Granted	50,908,986
Redeemed/exchanged units	(88,181,354)
Forfeited units	—
Balance at December 31, 2013	31,207,729
Granted	42,416,871
Redeemed/exchanged units	(19,193,901)
Forfeited units	(868,709)
Balance at December 31, 2014	53,561,990
Granted	38,169,581
Redeemed/exchanged units	(14,166,438)
Forfeited units	(1,163,358)
Balance at December 31, 2015	76,401,775

During the years ended December 31, 2015, 2014 and 2013, the Company granted exchangeability on 26.9 million, 18.0 million and 9.8 million limited partnership units for which the Company incurred non-cash compensation expense, before associated income taxes, of $231.4 million, $126.5 million and $57.0 million, respectively. The 2015 amounts include a conversion of 90% of outstanding REUs and RPUs in December 2015 totaling 11.8 million units and $114.0 million.

As of December 31, 2015, 2014 and 2013, the number of limited partnership units exchangeable into shares of Class A common stock at the discretion of the unit holder was 5.4 million, 2.0 million and 1.9 million, respectively.

As of December 31, 2015 and 2014, the notional value of the limited partnership units with a post-termination pay-out amount held by executives and non-executive employees, awarded in lieu of cash compensation for salaries, commissions and/or discretionary or guaranteed bonuses was approximately $30.4 million and $68.8 million, respectively. As of December 31, 2015 and 2014, the aggregate estimated fair value of these limited partnership units was approximately $11.3 million and $11.8 million, respectively. The number of outstanding limited partnership units with a post-termination pay-out as of December 31, 2015 and 2014 was approximately 3.3 million and 9.8 million, respectively, of which approximately 1.6 million and 6.9 million were unvested.

Certain of the limited partnership units with a post-termination pay-out have been granted in connection with the Company’s acquisitions. As of December 31, 2015 and 2014, the aggregate estimated fair value of these acquisition related limited partnership units was $26.2 million and $24.2 million respectively.

Compensation expense related to limited partnership units with a post-termination pay-out amount is recognized over the stated service period. These units generally vest between three and five years from the date of grant. The Company recognized compensation expense, before associated income taxes, related to these limited partnership units that were not redeemed of $13.7 million, $6.5 million and $4.6 million for the years ended December 31, 2015, 2014 and 2013, respectively. These are included in “Compensation and employee benefits” in the Company’s consolidated statements of operations.

Certain limited partnership units generally receive quarterly allocations of net income, which are cash distributed on a quarterly basis and generally contingent upon services being provided by the unit holders. The allocation of income to limited partnership units and FPUs was $28.3 million, $10.1 million and $62.6 million for the years ended December 31, 2015, 2014 and 2013, respectively.

Restricted Stock Units

A summary of the activity associated with RSUs is as follows:

	Restricted Stock Units	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (Years)
Balance at December 31, 2012	2,608,731	$ 5.94	1.83
Granted	1,543,183	3.18	
Delivered units	(1,038,937)	6.09	
Forfeited units	(288,375)	4.56	
Balance at December 31, 2013	2,824,602	$ 4.51	1.79
Granted	995,771	5.86	
Delivered units	(1,288,758)	5.11	
Forfeited units	(390,683)	4.94	
Balance at December 31, 2014	2,140,932	$ 4.70	1.74
Granted	691,831	8.06	
Delivered units	(1,045,056)	5.00	
Forfeited units	(165,276)	5.75	
Balance at December 31, 2015	1,622,431	$ 5.83	1.53

The fair value of RSUs awarded to employees and directors is determined on the date of grant based on the market value of Class A common stock (adjusted if appropriate based upon the award’s eligibility to receive dividends), and is recognized, net of the effect of estimated forfeitures, ratably over the vesting period. The Company uses historical data, including historical forfeitures and turnover rates, to estimate expected forfeiture rates for both employee and director RSUs. Each RSU is settled in one share of Class A common stock upon completion of the vesting period.

During the years ended December 31, 2015, 2014 and 2013, the Company granted 0.7 million, 1.0 million and 1.5 million, respectively, of RSUs with aggregate estimated grant date fair values of approximately $5.7 million, $5.8 million and $4.9 million, respectively, to employees and directors. These RSUs were awarded in lieu of cash compensation for salaries, commissions and/or discretionary or guaranteed bonuses. RSUs granted to these individuals generally vest over a two- to four-year period.

For RSUs that vested during the years ended December 31, 2015, 2014 and 2013, the Company withheld shares valued at $0.6 million, $1.2 million and $1.2 million, respectively, to pay taxes due at the time of vesting.

As of December 31, 2015 and December 31, 2014, the aggregate estimated grant date fair value of outstanding RSUs was approximately $9.5 million and $10.1 million, respectively.

Compensation expense related to RSUs, before associated income taxes, was approximately $5.3 million, $4.6 million and $5.8 million for the years ended December 31, 2015, 2014 and 2013, respectively. As of December 31, 2015, there was approximately $8.7 million of total unrecognized compensation expense related to unvested RSUs.

Restricted Stock

Pursuant to the Global Partnership Restructuring Program in June 2013, the Company granted approximately 41 million restricted shares of the Company's Class A common stock. During the year ended December 31, 2013, the Company incurred non-cash, non-dilutive compensation charges of $304.1 million related to the redemption/exchange of partnership units and issuance of restricted shares, which was included in "Allocation of net income and grants of exchangeability to limited partnership units and FPUs" in the Company's consolidated statements of operations. Transferability of the shares of restricted stock is not subject to continued employment or service with the Company or any affiliate or subsidiary of the Company; however, transferability is subject to compliance with BGC Partners' and its affiliates' customary noncompete obligations. During the years ended December 31, 2015 and 2014, approximately 270 thousand shares and 390 thousand shares, respectively, were forfeited in connection with this clause. The restricted shares are generally saleable by partners in five to ten years. Partners who agree to extend the length of their employment agreements and/or other contractual modifications sought by the Company are expected to be able to sell their restricted shares over a shorter time period. During the years ended December 31, 2015 and 2014, the Company released the restrictions with respect to approximately 6.1 million and 11.8 million of such shares, respectively.

Deferred Cash Compensation

As part of the acquisition of GFI, the Company now maintains a Deferred Cash Award Program which was adopted by GFI on February 12, 2013, and provides for the grant of deferred cash incentive compensation to eligible employees. The Company may pay certain bonuses in the form of deferred cash compensation awards, which generally vest over a future service period. In addition, prior to the completion of the tender offer, GFI's outstanding RSUs were converted into the right to receive an amount in cash equal to $6.10 per unit, with such cash payable on and subject to the terms and conditions of the original vesting schedule of each RSU. The total compensation expense recognized in relation to the deferred cash compensation awards for the year ended December 31, 2015 was $23.1 million. As of December 31, 2015, the total liability for the deferred cash compensation awards was $24.5 million, which is included in "Accrued compensation" on the Company's consolidated statements of financial condition. Total unrecognized compensation cost related to deferred cash compensation prior to the consideration of forfeitures, was approximately $32.3 million and is expected to be recognized over a weighted-average period of 1.27 years.

Stock Options

A summary of the activity associated with stock options is as follows:

	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Balance at December 31, 2012	6,450,931	$ 14.11	2.4	$ —
Granted	—	—		
Exercised options	—			
Forfeited options	(1,959,693)	20.23		
Balance at December 31, 2013	4,491,238	$ 11.60	2.0	$ —
Granted	—	—		
Exercised options	—	—		
Forfeited options	(2,307,000)	13.50		
Balance at December 31, 2014	2,184,238	$ 9.66	2.3	$ 569,979
Granted	—	—		
Exercised options	(94,000)	8.09		
Forfeited options	(11,000)	9.03		
Balance at December 31, 2015	2,079,238	$ 9.73	1.4	$ 1,169,664
Options exercisable at December 31, 2015	2,079,238	$ 9.73	1.4	$ 1,169,664

There were 94 thousand stock options exercised during the year ended December 31, 2015. The Company did not grant any stock options during the years ended December 31, 2015, 2014 and 2013.

The Company did not record any compensation expense related to stock options for the years ended December 31, 2015, 2014 or 2013, as all of these options had vested in prior years. As of December 31, 2015, all of the compensation expense related to stock options was fully recognized.

The following table provides further details relating to the Company's stock options outstanding at December 31, 2015:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	**Number Outstanding**	**Weighted-Average Exercise Price**	**Weighted-Average Remaining Contractual Life (Years)**	**Number Exercisable**	**Weighted-Average Exercise Price**
$8.42—$9.49	1,065,068	$ 8.71	1.0	1,065,068	$ 8.71
$9.50—$10.82	1,014,170	10.81	2.0	1,014,170	10.81
Total	2,079,238	$ 9.73	1.4	2,079,238	$ 9.73

20. Commitments, Contingencies and Guarantees

Contractual Obligations and Commitments

The following table summarizes certain of the Company's contractual obligations at December 31, 2015 (in thousands):

	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Operating leases [1]	$ 497,432	$ 60,377	$106,070	$ 81,050	$ 249,935
Notes payable and collateralized borrowings [2]	835,724	166,853	254,489	301,882	112,500
Interest on notes payable [3]	362,067	41,037	91,436	33,477	196,117
Other [4]	55,450	55,450	—	—	—
Total contractual obligations	$1,750,673	$323,717	$451,995	$416,409	$ 558,552

1 Operating leases are related to rental payments under various non-cancelable leases, principally for office space, net of sublease payments to be received. The total amount of sublease payments to be received is approximately $1.3 million over the life of the agreement.

2 Notes payable and collateralized borrowings reflects the issuance of $160.0 million of the 4.50% Convertible Notes due July 15, 2016 (the $160.0 million represents the principal amount of the debt; the carrying value of the 4.50% Convertible Notes as of December 31, 2015 was approximately $157.3 million), $112.5 million of the 8.125% Senior Notes due June 26, 2042 (the $112.5 million represents the principal amount of the debt; the carrying value of the 8.125% Senior Notes as of December 31, 2015 was approximately $109.1 million), $300.0 million of the 5.375% Senior Notes due December 9, 2019 (the $300.0 million represents the principal amount of the debt; the carrying value of the 5.375% Senior Notes as of December 31, 2015 was approximately $296.1 million), $240.0 million of the 8.375% Senior Notes due July 19, 2018 (the $240.0 million represents the principal amount of the debt; the carrying value of the 8.375% Senior Notes as of December 31, 2015 was approximately $255.3 million), and $23.0 million of collateralized borrowings due March 13, 2019. See Note 18— "Notes Payable, Collateralized and Short-Term Borrowings," for more information regarding these obligations, including timing of payments and compliance with debt covenants.

3 The $196.1 million of interest on notes payable that are due in more than five years represents interest on the 8.125% Senior Notes. The 8.125% Senior Notes may be redeemed for cash, in whole or in part, on or after June 26, 2017, at the Company's option, which may impact the actual interest paid.

4 Other contractual obligations reflect commitments to make charitable contributions, which are recorded as part of "Accounts payable, accrued and other liabilities" in the Company's consolidated statements of financial condition.

The Company is obligated for minimum rental payments under various non-cancelable operating leases, principally for office space, expiring at various dates through 2030. Certain of the leases contain escalation clauses that require payment of additional rent to the extent of increases in certain operating or other costs.

As of December 31, 2015, minimum lease payments under these arrangements are as follows (in thousands):

	Net Lease Commitment
2016	$ 60,377
2017	55,360
2018	50,710
2019	44,288
2020	36,762
2021 and thereafter	249,935
Total	$ 497,432

The lease obligations shown above are presented net of payments to be received under a non-cancelable sublease. The total amount of sublease payments to be received is approximately $1.3 million over the life of the agreement.

In addition to the above obligations under non-cancelable operating leases, the Company is also obligated to Cantor for rental payments under Cantor's various non-cancelable leases with third parties, principally for office space and computer equipment, expiring at various dates through 2030. Certain of these leases have renewal terms at the Company's option and/or escalation clauses (primarily based on the Consumer Price Index). Cantor allocates a portion of the rental payments to the Company based on square footage used.

The Company also allocates a portion of the rental payments for which it is obligated under non-cancelable operating leases to Cantor and its affiliates. These allocations are based on square footage used (see Note 14—"Related Party Transactions," for more information).

Rent expense for the years ended December 31, 2015, 2014 and 2013 was $52.8 million, $53.2 million and $51.0 million, respectively. Rent expense is included as part of "Occupancy and equipment" in the Company's consolidated statements of operations.

In the event the Company anticipates incurring costs under any of its leases that exceed anticipated sublease revenues, it recognizes a loss and records a liability for the present value of the excess lease obligations over the estimated sublease rental income. The liability for future lease payments associated with vacant space, net of anticipated sublease rental income, was approximately $5.9 million and $1.9 million, as of December 31, 2015 and 2014, respectively, and is included as part of "Accounts payable, accrued and other liabilities" in the Company's consolidated statements of financial condition. The lease liability takes into consideration various assumptions, including prevailing rental rates.

Contingent Payments Related to Acquisitions

During the year ended December 31, 2015, the Company completed acquisitions, whose purchase price included approximately 0.5 million shares of the Company's Class A common stock (with an acquisition date fair value of approximately $4.1 million), 1.8 million limited partnership units (with an acquisition date fair value of approximately $15.2 million) and $22.8 million in cash that may be issued contingent on certain targets being met through 2018.

During the year ended December 31, 2014, the Company completed acquisitions, whose purchase price included approximately 2.0 million shares of the Company's Class A common stock (with an acquisition date fair value of approximately $15.8 million), 4.9 million limited partnership units (with an acquisition date fair value of approximately $34.2 million) and $34.0 million in cash that may be issued contingent on certain targets being met through 2018.

During the year ended December 31, 2013, the Company completed acquisitions, whose purchase price included approximately 0.7 million shares of the Company's Class A common stock (with an acquisition date fair value of approximately $3.1 million) and 0.3 million limited partnership units (with an acquisition date fair value of approximately $1.6 million) that may be issued contingent on certain targets being met through 2018.

As of December 31, 2015, the Company has issued 6.2 million shares of its Class A common stock, 2.0 million of its limited partnership units and $10.9 million in cash related to contingent payments.

Contingencies

In the ordinary course of business, various legal actions are brought and are pending against the Company and its subsidiaries in the U.S. and internationally. In some of these actions, substantial amounts are claimed. The Company is also involved, from time to time, in reviews, examinations, investigations and proceedings by governmental and self-regulatory agencies (both formal and informal) regarding the Company's businesses, which may result in judgments, settlements, fines, penalties, injunctions or other relief. The following generally does not include matters that the Company has pending against other parties which, if successful, would result in awards in favor of the Company or its subsidiaries.

Employment, Competitor-Related and Other Litigation

From time to time, the Company and its subsidiaries are involved in litigation, claims and arbitrations in the U.S. and internationally, relating to various employment matters, including with respect to termination of employment, hiring of employees currently or previously employed by competitors, terms and conditions of employment and other matters. In light of the competitive nature of the brokerage industry, litigation, claims and arbitration between competitors regarding employee hiring are not uncommon.

Legal reserves are established in accordance with FASB guidance on Accounting for Contingencies, when a material legal liability is both probable and reasonably estimable. Once established, reserves are adjusted when there is more information available or when an event occurs requiring a change. The outcome of such items cannot be determined with certainty. The Company is unable to estimate a possible loss or range of loss in connection with specific matters beyond its current accrual and any other amounts disclosed. Management believes that, based on currently available information, the final outcome of these current pending matters will not have a material adverse effect on the Company's consolidated financial statements and disclosures taken as a whole.

Letter of Credit Agreements

The Company has irrevocable uncollateralized letters of credit with various banks, where the beneficiaries are clearing organizations through which it transacted, that are used in lieu of margin and deposits with those clearing organizations. As of December 31, 2015, the Company was contingently liable for $1.1 million under these letters of credit.

Risk and Uncertainties

The Company generates revenues by providing financial intermediary, securities trading and brokerage activities, and commercial real estate services to institutional customers and by executing and, in some cases, clearing transactions for institutional counterparties. Revenues for these services are transaction-based. As a result, revenues could vary based on the transaction volume of global financial and real estate markets. Additionally, financing is sensitive to interest rate fluctuations, which could have an impact on the Company's overall profitability.

Guarantees

The Company provides guarantees to securities clearinghouses and exchanges which meet the definition of a guarantee under FASB interpretations. Under these standard securities clearinghouse and exchange membership agreements, members are required to guarantee, collectively, the performance of other members and, accordingly, if another member becomes unable to satisfy its obligations to the clearinghouse or exchange, all other members would be required to meet the shortfall. In the opinion of management, the Company's liability under these agreements is not quantifiable and could exceed the cash and securities it has posted as collateral. However, the potential of being required to make payments under these arrangements is remote. Accordingly, no contingent liability has been recorded in the Company's consolidated statements of financial condition for these agreements.

Indemnification

In connection with the sale of eSpeed, the Company has indemnified NASDAQ for amounts over a defined threshold against damages arising from breaches of representations, warranties and covenants. In addition, in connection with the acquisition of GFI, the Company has indemnified the Directors and Officers of GFI. As of December 31, 2015, no contingent liability has been recorded in the Company's consolidated statements of financial condition for this indemnification, as the potential for being required to make payments under this indemnification is remote.

21. Income Taxes

The Company's consolidated financial statements include U.S. federal, state and local income taxes on the Company's allocable share of the U.S. results of operations, as well as taxes payable to jurisdictions outside the U.S. In addition, certain of the Company's entities are taxed as U.S. partnerships and are subject to the Unincorporated Business Tax ("UBT") in New York City. Therefore, the tax liability or benefit related to the partnership income or loss except for UBT rests with the partners (see Note 2—"Limited Partnership Interests in BGC Holdings" for discussion of partnership interests) rather than the partnership entity.

The provision for income taxes consisted of the following (in thousands):

	Year Ended December 31,		
	2015	2014	2013
Current:			
U.S. federal	$ 27,299	$ 18,550	$120,806
U.S. state and local	7,991	6,799	41,635
Foreign	22,249	(457)	1,089
UBT	2,942	1,944	10,625
	60,481	26,836	174,155
Deferred:			
U.S. federal	76,539	(22,670)	(35,248)
U.S. state and local	(25,118)	(8,350)	(17,344)
Foreign	10,549	7,360	(29,532)
UBT	(1,955)	(2,525)	135
	60,015	(26,185)	(81,989)
Provision for income taxes	$120,496	$ 651	$ 92,166

Table of Contents

The Company had pre-tax income (loss) of $388.8 million, $(3.2) million and $265.9 million for the years ended December 31, 2015, 2014 and 2013 respectively. The pre-tax income for the year ended December 31, 2015 was primarily related to the sale of Trayport. The pre-tax income for the year ended December 31, 2013 was primarily due to the sale of eSpeed.

The Company had pre-tax income (loss) from domestic operations of $(121.2) million, $(30.0) million and $464.9 million for the years ended December 31, 2015, 2014 and 2013 respectively. The Company's pre-tax loss from domestic operations in the year ended December 31, 2015 was primarily related to the charges taken concurrently with the sale of Trayport, and the Company's pre-tax income from domestic operations in the year ended December 31, 2013 was primarily related to the sale of eSpeed. The Company had pre-tax income (loss) from foreign operations of $510.0 million, $26.8 million and $(199.0) million for the years ended December 31, 2015, 2014 and 2013 respectively.

Differences between the Company's actual income tax expense and the amount calculated utilizing the U.S. federal statutory rates were as follows (in thousands):

	Year Ended December 31,		
	2015	2014	2013
Federal income tax expense at 35% statutory rate	$ 136,085	$(1,116)	$ 92,970
Non-controlling interest	12,789	7,176	(87,312)
Incremental impact of foreign taxes compared to federal tax rate	(5,037)	(6,284)	22,093
Tax-exempt income	(163,929)	—	—
Other permanent differences	7,665	7,588	34,802
U.S. state and local taxes, net of U.S. federal benefit	(3,993)	(825)	16,340
New York City UBT	(1,081)	(378)	10,386
Federal/state tax benefit of research and development credit	—	(500)	(500)
Enacted rate change	3,511	(1,256)	3,529
Uncertain tax positions	(6,425)	(3,819)	—
U.S. tax on foreign earnings, net of tax credits	137,122	—	—
U.S. valuation allowance	(12,856)	—	—
Other	16,645	65	(142)
Provision for income taxes	$ 120,496	$ 651	$ 92,166

Cumulative undistributed earnings of foreign subsidiaries were approximately $325.8 million as of December 31, 2015. Except for the cash proceeds from the sale of Trayport, it is our intention to permanently reinvest these undistributed foreign pre-tax earnings in the Company's foreign operations. It is not practicable to determine the amount of additional tax that may be payable in the event these earnings are repatriated due to the fluctuation of the relative ownership percentages of the foreign subsidiaries between the Company and BGC Holdings, L.P. With respect to the sale of Trayport, management concluded that the foreign proceeds attributable to the sale of Trayport in the amount of $603.9 million will ultimately be repatriated and will provide U.S. tax on those amounts. For these proceeds which are not permanently reinvested, the deferred tax liability for $135.5 million is net of foreign tax credits, which will be generated as a result of repatriation. In addition, certain GFI Group net operating loss carryforwards are expected to be utilized to reduce cash taxes. Taking these items together, we therefore expect to pay effective cash taxes of no more than $64 million related to the Trayport purchase price, or an expected rate of less than 10 percent.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recorded against deferred tax assets if it is deemed more likely than not that those assets will not be realized.

Significant components of the Company's deferred tax asset and liability consisted of the following (in thousands):

	Year Ended December 31,	
	2015	2014
Deferred tax asset		
Depreciation and amortization	$ 72,458	$ 6,138
Basis difference of investments	15,012	17,063
Deferred compensation	148,935	57,555
Other deferred and accrued expenses	28,908	53,647
Net operating loss and credit carry-forwards	134,877	32,953
Total deferred tax asset [1]	400,190	167,356
Valuation allowance	(41,332)	(19,500)
Deferred tax asset, net of valuation allowance	358,858	147,856
Deferred tax liability		
Software capitalization	69,610	8,758
Depreciation of fixed assets / Gain on replacements of assets	—	688
U.S. tax on foreign earnings	135,482	
Other	308	36
Total deferred tax liability [1]	205,400	9,482
Net deferred tax asset	$ 153,458	$ 138,374

1 Before netting within tax jurisdictions.

The Company has net operating losses in U.S. federal, U.S. state and local, and non-U.S. jurisdictions that will begin to expire in 2025, 2028 and 2017, respectively. The Company’s deferred tax asset and liability are included in the Company’s consolidated statements of financial condition as components of “Other assets” and “Accounts payable, accrued and other liabilities,” respectively.

Pursuant to FASB guidance on Accounting for Uncertainty in Income Taxes, the Company provides for uncertain tax positions as a component of income tax expense based upon management’s assessment of whether a tax benefit is more likely than not to be sustained upon examination by tax authorities.

A reconciliation of the beginning to the ending amounts of gross unrecognized tax benefits for the years ended December 31, 2015 and 2014 is as follows (in thousands):

Balance, December 31, 2013	$ 3,250
Increases for prior year tax positions	—
Decreases for prior year tax positions	—
Increases for current year tax positions	—
Decreases related to settlements with taxing authorities	—
Decreases related to a lapse of applicable statute of limitations	(3,250)
Balance, December 31, 2014	$ —
Increases for prior year tax positions (1)	9,768
Decreases for prior year tax positions	—
Increases for current year tax positions	—
Decreases related to settlements with taxing authorities	(413)
Decreases related to a lapse of applicable statute of limitations	(7,797)
Balance, December 31, 2015	$ 1,558

(1) Includes $8.4 million assumed upon acquisition of GFI Group Inc.

As of December 31, 2015, the Company’s unrecognized tax benefits, excluding related interest and penalties, were $1.6 million, of which $1.6 million, if recognized, would affect the effective tax rate. The Company is currently open to examination by U.S. federal, U.S. state and local, and non-U.S. tax authorities for tax years beginning 2011, 2008 and 2012, respectively. The Company does not believe that the amounts of unrecognized tax benefits will materially change over the next 12 months.

The Company recognizes interest and penalties related to income taxes in “Interest expense” and “Other expenses,” respectively, in the Company’s consolidated statements of operations. As of December 31, 2015, the Company accrued $0.2 million for income tax-related interest and penalties.

22. Regulatory Requirements

Many of the Company’s businesses are subject to regulatory restrictions and minimum capital requirements. These regulatory restrictions and capital requirements may restrict the Company’s ability to withdraw capital from its subsidiaries.

Certain U.S. subsidiaries of the Company are registered as U.S. broker-dealers or Futures Commissions Merchants subject to Rule 15c3-1 of the SEC and Rule 1.17 of the Commodity Futures Trading Commission, which specify uniform minimum net capital requirements, as defined, for their registrants, and also require a significant part of the registrants’ assets be kept in relatively liquid form. As of December 31, 2015, the Company’s U.S. subsidiaries had net capital in excess of their minimum capital requirements.

Certain European subsidiaries of the Company are regulated by the Financial Conduct Authority (the "FCA") and must maintain financial resources (as defined by the FCA) in excess of the total financial resources requirement of the FCA. As of December 31, 2015, the European subsidiaries had financial resources in excess of their requirements.

Certain other subsidiaries of the Company are subject to regulatory and other requirements of the jurisdictions in which they operate.

In addition, the Company's Swap Execution Facilities ("SEFs"), BGC Derivative Markets and GFI Swaps Exchange, are required to maintain financial resources to cover operating costs for at least one year, keeping at least enough cash or highly liquid securities to cover six months' operating costs.

The regulatory requirements referred to above may restrict the Company's ability to withdraw capital from its regulated subsidiaries. As of December 31, 2015, $510.1 million of net assets were held by regulated subsidiaries. These subsidiaries had aggregate regulatory net capital, as defined, in excess of the aggregate regulatory requirements, as defined, of $245.1 million.

23. Segment and Geographic Information

Segment Information

The Company's business segments are determined based on the products and services provided and reflect the manner in which financial information is evaluated by management. The Company's operations consist of two reportable segments, Financial Services and Real Estate Services.

The Company's Financial Services segment specializes in the brokerage of a broad range of products, including fixed income securities, interest rate swaps, foreign exchange, equities, equity derivatives, credit derivatives, commodities, futures and structured products. It also provides a full range of services, including trade execution, broker-dealer services, clearing, processing, information, and other back-office services to a broad range of financial and non-financial institutions. The Company's Real Estate Services segment offers commercial real estate tenants, owners, investors and developers a wide range of services, including leasing and corporate advisory, investment sales and financial services, consulting, project and development management, and property and facilities management.

The Company evaluates the performance and reviews the results of the segments based on each segment's "Income (loss) from operations before income taxes."

The amounts shown below for the Financial Services and Real Estate Services segments reflect the amounts that are used by management to allocate resources and assess performance, which is based on each segment's "Income (loss) from operations before income taxes." In addition to the two business segments, the tables below include a "Corporate Items" category. Corporate revenues include fees from related parties and interest income as well as gains that are not considered part of the Company's ordinary, ongoing business such as the realized gain related to the GFI shares owned by the Company prior to the completion of the tender offer to acquire GFI on February 26, 2015 and the gain related to the disposition of the equity interests in the entities that make up the Trayport business. Corporate expenses include non-cash compensation expenses (such as the grant of exchangeability to limited partnership units; redemption/exchange of partnership units, issuance of restricted shares and a reserve on compensation-related partnership loans; and allocations of net income to limited partnership units and FPUs) as well as unallocated expenses such as certain professional and consulting fees, executive compensation and interest expense, which are managed separately at the corporate level.

Certain financial information for the Company's segments is presented below. Certain reclassifications have been made to previously reported amounts to conform to the current presentation. See Note 17—"Goodwill and Other Intangible Assets, Net," for goodwill by reportable segment.

Year ended December 31, 2015 (in thousands):

	Financial Services	Real Estate Services	Corporate Items	Total
Brokerage revenues:				
Rates	$ 468,536	$ —	$ —	$ 468,536
Credit	273,287	—	—	273,287
Foreign exchange	310,643	—	—	310,643
Energy and commodities	198,272	—	—	198,272
Equities and other asset classes	187,654	—	—	187,654
Leasing and other services	—	539,727	—	539,727
Real estate capital markets	—	269,151	—	269,151
Real estate management services	—	187,118	—	187,118
Fees from related parties	108	—	25,240	25,348
Market data and software solutions	95,101	—	—	95,101
Other revenues	8,174	1,270	513	9,957
Total non-interest revenues	1,541,775	997,266	25,753	2,564,794
Interest income	1,381	1,184	8,078	10,643
Total revenues	1,543,156	998,450	33,831	2,575,437
Interest expense	657	12	68,690	69,359
Non-interest expenses	1,316,712	868,652	451,278	2,636,642
Total expenses	1,317,369	868,664	519,968	2,706,001
Other income (losses), net:				

Gain on divestiture and sale of investments	—	—	394,347	394,347
Gain on equity investments	—	—	1,863	1,863
Other income (losses)	68,033	—	55,135	123,168
Total other income, (losses) net	68,033	—	451,345	519,378
Income (loss) from operations before income taxes	$ 293,820	$129,786	$ (34,792)	$ 388,814

For the year ended December 31, 2015, the Financial Services segment income from operations before income taxes includes a $68.0 million gain related to the NASDAQ Transaction consideration and the associated mark-to-market movements and/or hedging. For the year ended December 31, 2015, the Real Estate Services segment income from operations before income taxes excludes $2.1 million related to the collection of receivables and associated expenses that were recognized at fair value as part of acquisition accounting.

Year ended December 31, 2014 (in thousands):

	Financial Services	Real Estate Services	Corporate Items	Total
Brokerage revenues:				
Rates	$ 401,602	$ —	$ —	$ 401,602
Credit	225,854	—	—	225,854
Foreign exchange	215,168	—	—	215,168
Energy and Commodities	55,788	—	—	55,788
Equities and other asset classes	120,504	—	—	120,504
Leasing and other services	—	418,725	(948)	417,777
Real estate capital markets	—	125,170	—	125,170
Real estate management services	—	163,227	—	163,227
Fees from related parties	121	—	28,258	28,379
Market data and software solutions	9,477	—	—	9,477
Other revenues	14,142	1,134	1,956	17,232
Total non-interest revenues	1,042,656	708,256	29,266	1,780,178
Interest income	1,687	537	5,088	7,312
Total revenues	1,044,343	708,793	34,354	1,787,490
Interest expense	3,201	32	34,712	37,945
Non-interest expenses	860,633	639,625	293,281	1,793,539
Total expenses	863,834	639,657	327,993	1,831,484
Other income (losses), net:				
Losses on equity method investments	—	—	(8,621)	(8,621)
Other income	52,769	—	(3,342)	49,427
Total other income (losses), net	52,769	—	(11,963)	40,806
Income (loss) from operations before income taxes	$ 233,278	$ 69,136	$(305,602)	$ (3,188)

For the year ended December 31, 2014, the Financial Services segment income (loss) from operations before income taxes includes $52.8 million related to the earn-out portion of the NASDAQ Transaction consideration and the associated mark-to-market movements and/or hedging. For the year ended December 31, 2014, the Real Estate Services segment income (loss) from operations before income taxes excludes $9.6 million related to the collection of receivables and associated expenses that were recognized at fair value as part of acquisition accounting.

Year ended December 31, 2013 (in thousands):

	Financial Services	Real Estate Services	Corporate Items	Total
Brokerage revenues:				
Rates	$ 491,740	$ —	$ —	$ 491,740
Credit	244,546	—	—	244,546
Foreign Exchange	212,120	—	—	212,120
Energy and commodities	31,432	—	—	31,432
Equities and other asset classes	119,296	—	—	119,296
Leasing and other services	—	338,558	—	338,558
Real estate capital markets	—	74,460	—	74,460
Real estate management services	—	163,353	—	163,353
Fees from related parties	5,711	—	35,417	41,128
Market data and software solutions	16,338	—	—	16,338
Other revenues	2,517	434	2,226	5,177
Total non-interest revenues	1,123,700	576,805	37,643	1,738,148
Interest income	1,052	386	5,395	6,833
Total revenues	1,124,752	577,191	43,038	1,744,981
Interest expense	3,498	4	34,830	38,332
Non-interest expenses	957,138	531,616	705,079	2,193,833
Total expenses	960,636	531,620	739,909	2,232,165
Other income (losses), net:				
Gain on divestiture and sale of investments	—	—	723,147	723,147
Losses on equity method investments	—	—	(9,508)	(9,508)
Other income	39,466	—	—	39,466
Total other income (losses), net	39,466	—	713,639	753,105
Income (loss) from operations before income taxes	$ 203,582	$ 45,571	$ 16,768	$ 265,921

For the year ended December 31, 2013, the Financial Services segment income (loss) from operations before income taxes includes $39.5 million related to the earn-out portion of the NASDAQ Transaction consideration and related hedging transactions. For the year ended December 31, 2013, the Real Estate Services segment income (loss) from operations before income taxes excludes $10.6 million related to the collection of receivables and associated expenses that were recognized at fair value as part of acquisition accounting. For the year ended December 31, 2013, Corporate Items income (loss) from operations before income taxes includes a $723.1 million gain on divestiture related to the sale of eSpeed and approximately $465 million in compensation expense related to the Global Partnership Restructuring Program.

Total assets by reportable segment (in thousands):

Total Assets [1]	Financial Services	Real Estate Services	Total
At December 31, 2015	$3,296,815	$ 694,639	$3,991,454
At December 31, 2014	$2,318,590	$ 432,537	$2,751,127

1 Corporate assets have been fully allocated to the Company's business segments.

Geographic Information

The Company offers products and services in the U.S., U.K., Asia (including Australia), France, Other Americas, Other Europe, and the Middle East and Africa region (defined as the "MEA" region). Information regarding revenues for the years ended December 31, 2015, 2014 and 2013, respectively, is as follows (in thousands):

	Year Ended December 31,		
	2015	2014	2013
Revenues:			
United States	$1,501,202	$1,076,295	$ 986,994
United Kingdom	633,943	393,071	412,227
Asia	217,895	154,480	173,227
France	85,905	81,662	89,223
Other Americas	54,421	39,589	36,770
Other Europe/MEA	82,071	42,393	46,540
Total revenues	$2,575,437	$1,787,490	$1,744,981

Information regarding long-lived assets (defined as loans, forgivable loans and other receivables from employees and partners, net; fixed assets, net; certain other investments; goodwill; other intangible assets, net of accumulated amortization; and rent and other deposits) in the geographic areas as of December 31, 2015 and December 31, 2014, respectively, is as follows (in thousands):

	December 31, 2015	December 31, 2014
Long-lived assets:		
United States	$1,145,876	$497,749
United Kingdom	164,970	121,735
Asia	28,368	29,459
France	6,964	5,979
Other Americas	16,135	19,188
Other Europe/MEA	6,277	2,549
Total long-lived assets	$1,368,590	$676,659

24. Supplemental Balance Sheet Information

The components of certain balance sheet accounts are as follows (in thousands):

	December 31, 2015	December 31, 2014
Other assets:		
Prepaid expenses	$ 33,239	$ 28,219
Deferred tax asset	190,459	142,873
Rent and other deposits	18,654	15,801
Other taxes	13,770	14,080
Other	34,565	27,358
Total other assets	290,687	228,331

	December 31, 2015	December 31, 2014
Accounts payable, accrued and other liabilities:		
Accrued expenses and other liabilities	$303,942	$332,734
Charitable contribution liability	55,450	16,557
Deferred tax liability	37,001	2,135
Taxes payable	185,023	150,404
Back-End Merger liability	111,223	—
Total accounts payable, accrued and other liabilities	692,639	501,830

25. Subsequent Events

Fourth Quarter 2015 Dividend

On February 9, 2016, the Company's Board of Directors declared a quarterly cash dividend of $0.14 per share for the fourth quarter of 2015, payable on March 16, 2016 to Class A and Class B common stockholders of record as of March 2, 2016.

Controlled Equity Offering

Since December 31, 2015, the Company issued, pursuant to its controlled equity offering, 175 thousand shares of Class A common stock related to redemptions and exchanges of limited partnership interests as well as for general corporate purposes.

Repurchases

Since December 31, 2015, the Company has repurchased an aggregate of approximately 6.8 million shares of its Class A common stock at an aggregate purchase price of approximately $58.9 million for an average price of $8.71 per share.

These repurchases include 5,000,000 shares of the Company's Class A common stock repurchased from Cantor at a price of $8.72 per share, the closing price of the Company's Class A common stock on February 23, 2016. This transaction was included in our stock repurchase authorization and was approved by the Audit Committee of the Board of Directors.

These repurchases also include 970,639 shares of the Company's Class A common stock repurchased from The Cantor Fitzgerald Relief Fund at a price of $8.72 per share, the closing price of the Company's Class A common stock on February 23, 2016.

Completion of Back-End Mergers with GFI Group

On January 12, 2016, the Company, JPI, New JP Inc. ("New JPI"), Michael A. Gooch, Colin Heffron, and certain subsidiaries of JPI and the Company closed on a previously agreed upon merger. This merger provided for the acquisition of JPI by the Company as provided for by the merger agreement dated December 22, 2015. Shortly following the completion of the JPI Merger, a subsidiary of the Company merged with and into GFI pursuant to a short-form merger under Delaware law, with GFI continuing as the surviving entity. The Back-End Mergers allowed the Company to acquire the remaining approximately 33 percent of the outstanding shares of GFI common stock that it did not already own. Following the closing of the Back-End Mergers, the Company and its affiliates now own 100 percent of the outstanding shares of GFI's common stock.

Under the terms of the merger agreement, certain subsidiaries of the Company merged with and into a subsidiary of New JPI, resulting in the Company owning all of the shares of GFI common stock previously owned by JPI. In the JPI Merger, each holder of JPI common stock, other than Messrs. Gooch and Heffron, received per JPI share held an amount equal to (a) $6.10 multiplied by the number of GFI shares held by JPI, less the principal plus accrued interest on the $10.75 million note issued by JPI to the Company on October 6, 2015, divided by (b) the number of outstanding shares of New JPI common stock. This amount was paid 30 percent in cash and 70 percent in shares of BGC Class A common stock, valued at a price of $9.46 per share of BGC Class A common stock, which was the closing price of BGC Class A Common Stock on the day prior to the date of the Tender Offer Agreement, dated as of February 19, 2015, by and among BGC, BGC Partners, L.P. and GFI. Messrs. Gooch and Heffron received the same amount per JPI share held, subject to certain adjustments, but were paid 100 percent in shares of BGC Class A common stock. In total, approximately 23.5 million shares of BGC Class A common stock and $111.3 million in cash were issued or paid with respect to the closing of the Back-End Mergers, inclusive of adjustments. The total purchase consideration for all shares of GFI purchased by the Company was approximately $750 million, net of the $250.0 million note previously issued to GFI by the Company, which is eliminated in consolidation. The approximately $750 million purchase consideration excludes the $29.0 million gain recorded in the first quarter of 2015 with respect to the appreciation of the 17.1 million shares of GFI held by the Company prior to the successful completion of the tender offer. Including this gain, the calculation of purchase consideration and noncontrolling interest totaled $779.5 million.

On January 12, 2016, we filed a resale registration statement on Form S-3 pursuant to which 23,481,192 shares of our Class A common stock may be offered and sold from time to time by the JPI Stockholders for their own account or by certain pledgees, donees, transferees, or other successors in interest of the shares, including banks or other financial institutions which may enter into stock pledge or other financing transactions with the JPI Stockholders.

LFI Holding LLC

On January 15, 2016, the Company closed on the exercise of its option to acquire additional Class B Units of LFI Holdings, LLC. At the closing, the Company made a payment of $6.5 million to LFI. As a result of the option exercise, the Company has a 20% ownership interest in LFI.

Credit Facility: Committed Unsecured Credit Agreement

On February 25, 2016, the Company entered into a committed unsecured credit agreement with Bank of America, N.A., as administrative agent, and a syndicate of lenders. Several of the Company's domestic non-regulated subsidiaries are parties to the credit agreement as guarantors. The credit agreement provides for maximum revolving loans of $150 million, with the option to increase the aggregate loans to $200 million. The maturity date of the facility is February 25, 2018. Borrowings under this facility bear interest at either LIBOR or a defined base rate plus an additional margin which ranges from 50 basis points to 250 basis points depending on the Company's debt rating as determined by S&P and Fitch and whether such loan is a LIBOR loan or a base rate loan. Contemporaneously with the closing of this credit agreement, the $25 million unsecured credit agreement entered into on December 24, 2015 with Bank of America, N.A. as lender was terminated. As of February 29, 2016, there were no borrowings outstanding under either this $150 million facility or the terminated $25 million facility.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

I TEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

BGC Partners maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed by BGC Partners is recorded, processed, accumulated, summarized and communicated to its management, including its Chairman and Chief Executive Officer and its Chief Financial Officer, to allow timely decisions regarding required disclosures, and reported within the time periods specified in the SEC's rules and forms. The Chairman and Chief Executive Officer and the Chief Financial Officer have performed an evaluation of the effectiveness of the design and operation of BGC Partners disclosure controls and procedures as of December 31, 2015. Based on that evaluation, the Chairman and Chief Executive Officer and the Chief Financial Officer concluded that BGC Partners' disclosure controls and procedures were effective as of December 31, 2015.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our Chairman, Chief Executive Officer, and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2015 based upon criteria set forth in the Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (COSO). Our internal control over financial reporting includes policies and procedures that provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles.

Based on the results of our 2015 evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2015. We reviewed the results of management's assessment with our Audit Committee.

Management has excluded BGC Partners' acquisitions of Computerized Facility Integration, LLC ("CFI") and Excess Space Retail Services, Inc. ("Excess Space"), as these acquisitions were completed during the course of 2015, and did not have a material effect on our financial condition, results of operations or cash flows in 2015. However, we anticipate that these acquisitions will be included in management's assessment of internal control over financial reporting and our audit of internal controls over financial reporting for 2016. The aggregate 2015 GAAP revenues, recognized by CFI and Excess Space from the dates of acquisition, represented approximately 0.7% or $18.6 million of the Company's total GAAP revenues for the year ended December 31, 2015.

The effectiveness of our internal control over financial reporting as of December 31, 2015 has been audited by Ernst & Young, an independent registered public accounting firm, as stated in their report, which is included in this Annual Report on Form 10-K. Such report expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2015.

Changes in Internal Control over Financial Reporting

During the quarter ended December 31, 2015, there were no changes in our internal control over financial reporting that materially affect, or are reasonably likely to materially affect, our internal control over financial reporting.

I TEM 9B. OTHER INFORMATION

The information required by this Item is set forth under the heading "Liquidity and Capital Resources," included in Management's Discussion and Analysis of Financial Condition and Results of Operations (Item 7) and in Note 25—"Subsequent Events" to the Company's consolidated financial statements (Item 8) and in each case is incorporated by reference herein.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information appearing under “Election of Directors,” “Executive Officers,” “Section 16(a) Beneficial Ownership Reporting Compliance” and “Code of Ethics and Whistleblower Procedures” in the definitive Proxy Statement for the Company’s 2016 Annual Meeting of Stockholders (the “2016 Proxy Statement”) is hereby incorporated by reference in response to this Item 10. We anticipate that we will file the 2016 Proxy Statement with the SEC on or before April 29, 2016.

ITEM 11. EXECUTIVE COMPENSATION

The information appearing under “Compensation Discussion and Analysis,” “Compensation Committee Report,” “Executive Compensation” and “Compensation Committee Interlocks and Insider Participation” in the 2016 Proxy Statement is hereby incorporated by reference in response to this Item 11.

I TEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information appearing under “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information as of December 31, 2015” in the 2016 Proxy Statement is hereby incorporated by reference in response to this Item 12.

IT EM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information appearing under “Certain Relationships and Related Transactions and Director Independence” and “Election of Directors—Independence of Directors” in the 2016 Proxy Statement is hereby incorporated by reference in response to this Item 13.

I TEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information appearing under “Independent Registered Public Accounting Firm Fees” and “Audit Committee Pre-Approval Policies and Procedures” in the 2016 Proxy Statement is hereby incorporated by reference in response to this Item 14.

PART IV—OTHER INFORMATION

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) (1) Financial Statements. The consolidated financial statements required to be filed in this Annual Report on Form 10-K are included in Part II, Item 8 hereof.

(a) (2) Schedule I, Parent Company Only Financial Statements. All other schedules are omitted because they are not applicable or not required, or the required information is in the financial statements or the notes thereto.

(a) (3) The following Exhibits are filed as part of this Report as required by Regulation S-K. The Exhibits designated by an asterisk (*) are management contracts and compensation plans and arrangements required to be filed as Exhibits to this Report. Schedules and similar attachments to the exhibits designated by a double asterisk (**) have been omitted pursuant to Item 601(b)(2) of Regulation S-K. BGC Partners, Inc. will supplementally furnish a copy of them to the SEC upon request. We have requested confidential treatment as to certain portions of the Exhibits designated by a cross (+), which portions have been omitted and filed separately with the Securities and Exchange Commission (the "SEC"). Certain exhibits have been previously filed with the SEC pursuant to the Securities Exchange Act of 1934 (Commission File Numbers 0-28191 and 1-35591).

Exhibit Number	Exhibit Title
1.1	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated September 9, 2011 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 9, 2011)
1.2	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated February 15, 2012 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 15, 2012)
1.3	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated December 12, 2012 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 12, 2012)
1.4	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated November 20, 2014 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on November 20, 2014)
2.1	Agreement and Plan of Merger, dated as of May 29, 2007, by and among eSpeed, Inc., BGC Partners, Inc., Cantor Fitzgerald, L.P., BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A filed with the SEC on February 11, 2008)**
2.2	Amendment No. 1, dated as of November 5, 2007, to the Agreement and Plan of Merger, dated as of May 29, 2007, by and among eSpeed, Inc., BGC Partners, Inc., Cantor Fitzgerald, L.P., BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A filed with the SEC on February 11, 2008)**
2.3	Amendment No. 2, dated as of February 1, 2008, to the Agreement and Plan of Merger, dated as of May 29, 2007, by and among eSpeed, Inc., BGC Partners, Inc., Cantor Fitzgerald, L.P., BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A filed with the SEC on February 11, 2008)**
2.4	Separation Agreement, dated as of March 31, 2008, by and among Cantor Fitzgerald, L.P., BGC Partners, LLC, BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to Exhibit 2.4 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
2.5	Tender Offer Agreement executed by BGC Partners, Inc., BGC Partners, L.P. and GFI Group Inc., dated February 19, 2015 (incorporated by reference as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 25, 2015)**
2.6	Agreement and Plan of Merger, dated as of December 22, 2015, by and among BGC Partners, Inc., JPI Merger Sub 1, Inc., JPI Merger Sub 2, LLC, Jersey Partners, Inc., New JP Inc., Michael Gooch and Colin Heffron (incorporated by reference as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 23, 2015)

Exhibit Number	Exhibit Title
3.1	Amended and Restated Certificate of Incorporation of BGC Partners, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
3.2	Amended and Restated Bylaws of BGC Partners, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
4.1	Specimen Class A Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1 filed with the SEC on April 18, 2008)
4.2	Note Purchase Agreement, dated as of March 31, 2008, by and among BGC Partners, L.P. and the Purchasers whose names appear at the end thereof (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
4.3	Guaranty of BGC Partners, Inc., dated as of March 31, 2008 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
4.4	Letter Agreement, dated as of March 31, 2008, by and between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
4.5	Indenture, dated as of July 29, 2011, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to the 4.50% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 1, 2011)
4.6	Indenture, dated as of June 26, 2012, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to the 8.125% Senior Notes due 2042 (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 25, 2012)
4.7	First Supplemental Indenture, dated as of June 26, 2012, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to 8.125% Senior Notes due 2042 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on 8-K filed with the SEC on June 27, 2012)
4.8	Second Supplemental Indenture, dated December 9, 2014, between BGC Partners, Inc. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 10, 2014)
4.9	Form of BGC Partners, Inc. 5.375% Senior Notes due 2019 (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed with the SEC on December 10, 2014)
4.10	Promissory Note, dated April 28, 2015, from BGC Partners, L.P. to GFI Group Inc. in the aggregate amount of $250,000,000 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015)
4.11	Guarantee, dated as of July 10, 2015, by and between BGC Partners, Inc. and GFI Group Inc. (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on July 10, 2015)
4.12	Revolving Credit Agreement, dated as of October 1, 2015, between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 4.33 to the Registrant's Registration Statement on Form S-3 filed with the SEC on October 9, 2015 (File No. 333-207376))
4.13	First Supplemental Indenture, dated as of November 4, 2015, among GFI Group Inc., BGC Partners, Inc. and The Bank of New York Mellon Trust, N.A., as Trustee, relating to the 8.375% Senior Notes due 2018 of GFI Group Inc. (incorporated by reference to Exhibit 4.4 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2015)

Exhibit Number	Exhibit Title
4.14	Second Supplemental Indenture, dated as of January 12, 2016, among GFI Group Inc., as Issuer, BGC Partners, Inc., as Guarantor, and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 15, 2016)
10.1	Registration Rights Agreement, dated as of December 9, 1999, by and among eSpeed, Inc. and the Investors named therein (incorporated by reference to Exhibit 10.6 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1999)
10.2	Stock Purchase Agreement, dated April 26, 2000, between eSpeed, Inc. and Cantor Fitzgerald Securities (incorporated by reference to Exhibit 10.10 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000)
10.3	Amendment to Stock Purchase Agreement, dated June 2, 2000, among eSpeed, Inc., Cantor Fitzgerald Securities and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.11 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000)
10.4	Registration Rights Agreement, dated as of July 30, 2001, among eSpeed, Inc. and the Investors named therein (incorporated by reference to Exhibit 10.19 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2001)
10.5	Services Agreement, dated as of October 1, 2002, between eSpeed Inc. and CO2e.com, LLC (incorporated by reference to Exhibit 10.21 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002)+
10.6	Intellectual Property Rights Further Assurances Agreement, dated as of October 11, 2002, between eSpeed, Inc. and CO2e.com, LLC (incorporated by reference to Exhibit 10.23 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002)+
10.7	Software Agreement, dated as of February 24, 2006, between eSpeed, Inc. and IDT Horizon GT, Inc. (incorporated by reference to Exhibit 10.19 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2005)
10.8	Amended and Restated Limited Partnership Agreement of BGC Holdings, L.P., dated as of March 31, 2008 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.9	Amended and Restated Limited Partnership Agreement of BGC Partners, L.P., dated as of March 31, 2008 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.10	Amended and Restated Limited Partnership Agreement of BGC Global Holdings, L.P., dated as of March 31, 2008 (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.11	Registration Rights Agreement by and between Cantor Fitzgerald, L.P. and BGC Partners, LLC, dated as of March 31, 2008 (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.12	Administrative Services Agreement, dated as of March 6, 2008, by and between Cantor Fitzgerald, L.P. and BGC Partners, Inc. (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.13	Administrative Services Agreement, dated as of August 9, 2007, by and among Tower Bridge International Services L.P. and BGC International (incorporated by reference to Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)

Exhibit Number	Exhibit Title
10.14	BGC Holdings, L.P. Participation Plan, effective as of April 1, 2008 (incorporated by reference to Exhibit 10.8 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.15	Tax Receivable Agreement, dated as of March 31, 2008, by and between BGC Partners, LLC and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.7 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.16	License Agreement, dated as of April 1, 2008, by and between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.10 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.17	Change in Control Agreement, dated as of March 31, 2008, by and between Howard W. Lutnick and BGC Partners, LLC (incorporated by reference to Exhibit 10.12 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.18	Change in Control Agreement, dated as of March 31, 2008, by and between Stephen M. Merkel and BGC Partners, LLC (incorporated by reference to Exhibit 10.13 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.19	Change in Control Agreement, dated as of March 31, 2008, by and between Lee M. Amaitis and BGC Partners, LLC (incorporated by reference to Exhibit 10.14 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.20	Letter Agreement, dated as of March 31, 2008, by and between Shaun D. Lynn and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.16 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.21	Stock Purchase Agreement, dated June 2, 2008, by and between BGC Partners, Inc. and Stephen M. Merkel (incorporated by reference to Exhibit 10.31 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)*
10.22	Amended and Restated Letter Agreement, dated as of November 1, 2008, by and between Lee M. Amaitis and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.32 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)*
10.23	Clearing Services Agreement, dated May 6, 2008, Cantor Fitzgerald & Co. and BGC Financial, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.24	Amendment to Clearing Services Agreement, dated November 7, 2008, between Cantor Fitzgerald & Co. and BGC Financial, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.25	Agreement dated November 5, 2008 between BGC Partners, Inc. and Cantor Fitzgerald, L.P. regarding clearing capital (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.26	Agreement of Limited Partnership of BGC Partners, L.P., Amended and Restated as of September 1, 2008 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.27	Agreement of Limited Partnership of BGC Global Holdings, L.P., Amended and Restated as of September 1, 2008 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.28	BGC Partners, Inc. Amended and Restated Incentive Bonus Compensation Plan as of December 8, 2008 (incorporated by reference to Exhibit 10.38 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)*

Table of Contents

Exhibit Number	Exhibit Title
10.29	First Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of March 1, 2009 (incorporated by reference to Exhibit 10.40 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)
10.30	Second Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of August 3, 2009 (incorporated by reference to Exhibit 10.39 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2010)
10.31	Third Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of March 12, 2010 (incorporated by reference to Exhibit 10.40 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2010)
10.32	Subscription Agreement, dated March 16, 2010, among BGC Partners, Inc., BGC Holdings, L.P. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.43 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2010)
10.33	Fourth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of August 6, 2010 (incorporated by reference to Exhibit 10.44 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 9, 2010)
10.34	Registration Rights Agreement, dated as of April 1, 2010, by and between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2010)
10.35	Supplemental Indenture dated May 4, 2010 between BGC Partners, Inc. and Wells Fargo Bank National Association (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 5, 2010)
10.36	Fifth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of December 31, 2010 (incorporated by reference to Exhibit 10.48 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2011)
10.37	Letter Agreement, dated as of March 26, 2010, by and between Shaun D. Lynn and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.38	Amendment, dated as of March 26, 2010, by and between Shaun D. Lynn and BGC Partners, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.39	Letter Agreement, dated as of March 29, 2010, by and between Sean A. Windeatt and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.40	Letter Agreement, dated as of March 29, 2010, by and between A. Graham Sadler and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.41	Letter Agreement, dated as of December 17, 2010, by and between Stephen M. Merkel and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.54 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.42	Letter Agreement, dated as of December 17, 2010, by and between Shaun Lynn and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.55 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*

Table of Contents

Exhibit Number	Exhibit Title
10.43	Letter Agreement, dated as of December 17, 2010, by and between A. Graham Sadler and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.56 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.44	Letter Agreement, dated as of December 17, 2010, by and between Sean Windeatt and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.57 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.45	Sixth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of March 15, 2011 (incorporated by reference to Exhibit 10.58 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)
10.46	Seventh Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of September 9, 2011 and effective as of April 1, 2011 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 15, 2011)
10.47	Tower Bridge International Services L.P. and BGC Brokers L.P. Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.60 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.48	Tower Bridge International Services L.P. and Cantor Fitzgerald Europe Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.61 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.49	Tower Bridge International Services L.P. and Cantor Index Limited Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.62 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.50	Tower Bridge International Services L.P. and BGC International Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.63 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.51	Tower Bridge International Services L.P. and eSpeed International Limited Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.64 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.52	Tower Bridge International Services L.P. and eSpeed Support Services Limited Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.65 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.53	Amended and Restated Change in Control Agreement dated August 3, 2011 between Howard W. Lutnick and BGC Partners, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2011)*
10.54	Amended and Restated Change in Control Agreement dated August 3, 2011 between Stephen M. Merkel and BGC Partners, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2011)*
10.55	Credit Agreement dated as of June 23, 2011 by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, as Guarantors, the several financial institutions from time to time party thereto, as Lenders, and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 28, 2011)
10.56	Capped Call Confirmation dated July 28, 2011 between Bank of America Merrill Lynch and BGC Partners, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 1, 2011)
10.57	Capped Call Confirmation dated July 28, 2011 among Deutsche Bank AG, London Branch, Deutsche Bank Securities Inc., and BGC Partners, Inc (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on August 1, 2011)

Exhibit Number	Exhibit Title
10.58	First Amended and Restated Incentive Bonus Compensation Plan dated December 14, 2011 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 20, 2011)*
10.59	Indenture, dated as of July 29, 2011, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to the 4.50% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 1, 2011)
10.60	Underwriting Agreement dated as of June 21, 2012, by and among BGC Partners, Inc., Wells Fargo Securities, LLC, and certain other Underwriters (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 27, 2012)
10.61	First Amendment to Credit Agreement, dated October 11, 2012, to that certain Credit Agreement dated as of June 23, 2011 by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, as Guarantors, the several financial institutions from time to time party thereto, as Lenders, and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 8, 2012)
10.62	Second Amended and Restated Asset Purchase Agreement, dated April 13, 2012, by and among BGC Partners, Inc., Grubb & Ellis Company, and certain subsidiaries of Grubb & Ellis Company that are signatories thereto (incorporated by reference as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 8, 2012)
10.63	Eighth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P., dated as of December 17, 2012 and effective as of December 17, 2012 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 21, 2012)
10.64	Deed of Adherence, dated January 7, 2013, between Shaun D. Lynn and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.83 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012)*
10.65	Deed of Adherence, dated December 31, 2012, between A. Graham Sadler and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.85 to the Registrant's Annual Report on 10-K for the year ended December 31, 2012)*
10.66	Amendment No. 1, dated as of March 28, 2013, to the Deed of Adherence, dated January 7, 2013, between Shaun D. Lynn and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2013)*
10.67	Second Amendment to Credit Agreement and Waiver, dated as of June 20, 2013, by and among BGC Partners, Inc., the several financial institutions from time to time party thereto, as Lenders, and the Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 26, 2013)

Exhibit Number	Exhibit Title
10.68	Purchase Agreement, dated as of April 1, 2013, by and among BGC Partners, Inc., BGC Partners, L.P., The NASDAQ OMX Group, Inc., and for certain limited purposes, Cantor Fitzgerald, L.P. (incorporated by reference as Exhibit 2.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2013)
10.69	Third Amendment, dated as of September 12, 2013, to Credit Agreement, dated as of June 23, 2011, by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, as guarantors, the several financial institutions from time to time party thereto, as Lenders, and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2013)
10.70	Ninth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P., dated as of November 6, 2013 (incorporated by reference as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 7, 2013)
10.71	Amended and Restated Deed of Adherence, dated as of January 22, 2014, between Sean Windeatt and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 28, 2014)
10.72	Tenth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P., dated as of May 9, 2014 (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2014)
10.73	Sixth Amended and Restated Long Term Incentive Plan, dated as of June 2, 2015 (incorporated by reference as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 5, 2015)*
10.74	Letter Agreement, dated as of August 24, 2015, among BGC Partners, Inc., BGC Partners, L.P. and GFI Group Inc., relating to shareholder litigation and the Tender Offer agreement (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2015)
10.75	Eleventh Amendment to Agreement of Limited Partnership, as Amended and Restated, of BGC Holdings, L.P., dated as of November 4, 2015 (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2015)
10.76	Stock Purchase Agreement by and among GFINet, Inc., GFI TP Holdings Pte Ltd, Intercontinental Exchange, Inc., and, solely for the purposes set forth therein, GFI Group Inc. and BGC Partners, Inc. (incorporated by reference to the Registrant's Current Report on Form 8-K filed with the SEC on November 18, 2015)
10.77	Credit Agreement, dated as of February 25, 2016, by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, the several financial institutions from time to time party thereto, as Lenders, and Bank of America, N.A., as Administrative Agent
12.1	Computation of Ratio of Earnings to Fixed Charges
21.1	List of subsidiaries of BGC Partners, Inc.
23.1	Consent of Ernst & Young LLP, independent auditors
31.1	Certification by the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by the Chief Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from BGC Partners' Annual Report on Form 10-K for the period ended December 31, 2015 are formatted in eXtensible Business Reporting Language (XBRL): (i) the Consolidated Statements of Financial Condition, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Changes in Equity, (vi) Notes to the Consolidated Financial Statements, and (vii) Schedule I, Parent Company Only Financial Statements.

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K for the fiscal year ended December 31, 2015 to be signed on its behalf by the undersigned, thereunto duly authorized, on the 29th day of February, 2016.

BGC Partners, Inc.

By: /S/ HOWARD W. LUTNICK
Name: **Howard W. Lutnick**
Title: **Chairman of the Board and Chief Executive Officer**

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant, BGC Partners, Inc., in the capacities and on the date or dates indicated.

Signature	Capacity in Which Signed	Date
/S/ HOWARD W. LUTNICK **Howard W. Lutnick**	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	February 29, 2016
/S/ A. GRAHAM SADLER **A. Graham Sadler**	Chief Financial Officer (Principal Financial and Accounting Officer)	February 29, 2016
/S/ LINDA A. BELL **Linda A. Bell**	Director	February 29, 2016
/S/ STEPHEN T. CURWOOD **Stephen T. Curwood**	Director	February 29, 2016
/S/ JOHN H. DALTON **John H. Dalton**	Director	February 29, 2016
/S/ WILLIAM J. MORAN **William J. Moran**	Director	February 29, 2016

BGC PARTNERS, INC.
(Parent Company Only)

STATEMENTS OF FINANCIAL CONDITION
(in thousands, except share and per share data)

	December 31, 2015	December 31, 2014
Assets		
Cash and cash equivalents	$ 160	$ 12
Investments in subsidiaries	524,095	300,737
Receivables from related parties	55,450	16,557
Note receivable from related party	562,580	706,700
Other assets	147,705	110,249
Total assets	$ 1,289,990	$ 1,134,255
Liabilities and Stockholders' Equity		
Accounts payable, accrued and other liabilities	$ 76,287	$ 26,039
Notes payable and collateralized borrowings	562,580	556,700
Notes payable to related parties	—	150,000
Total liabilities	638,867	732,739
Commitments and contingencies (Note 2)		
Total stockholders' equity	651,123	401,516
Total liabilities and stockholders' equity	$ 1,289,990	$ 1,134,255

See accompanying Notes to Financial Statements.

BGC PARTNERS, INC.
(Parent Company Only)

STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Year Ended December 31, 2015	2014	2013
Revenues:			
Interest income	$ 58,663	$ 44,560	$ 41,419
Total revenue	58,663	44,560	41,419
Expenses:			
Interest expense	58,663	54,220	47,206
Other expenses	—	969	725
Total expenses	58,663	55,189	47,931
Loss from operations before income taxes	—	(10,629)	(6,512)
Equity income of subsidiaries	123,773	9,636	186,868
Provision (benefit) for income taxes	(3,015)	(5,128)	109,432
Net income available to common stockholders	$126,788	$ 4,135	$ 70,924
Per share data:			
Net income available to common stockholders	$126,788	$ 4,135	$ 70,924
Basic earnings per share	$ 0.52	$ 0.02	$ 0.37
Basic weighted-average shares of common stock outstanding	243,460	220,697	193,694
Net income for fully diluted shares	$168,521	$ 5,692	$ 96,851
Fully diluted earnings per share	$ 0.50	$ 0.02	$ 0.36
Fully diluted weighted-average shares of common stock outstanding	335,387	328,455	265,348

See accompanying Notes to Financial Statements.

BGC PARTNERS, INC.
(Parent Company Only)

STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year Ended December 31,		
	2015	2014	2013
Net income	$126,788	$ 4,135	$70,924
Other comprehensive (loss) income, net of tax:			
Foreign currency translation adjustments	(14,172)	(5,859)	(1,878)
Available for sale securities	(15,187)	16,222	—
Total other comprehensive (loss) income, net of tax	(29,359)	10,363	(1,878)
Comprehensive income attributable to common stockholders	$ 97,429	$14,498	$69,046

See accompanying Notes to Financial Statements.

Table of Contents

BGC PARTNERS, INC.
(Parent Company Only)

STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2015	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income available to common stockholders	$ 126,788	$ 4,135	$ 70,924
Adjustments to reconcile net income to net cash used in operating activities:			
Amortization of deferred financing costs	5,879	4,834	4,876
Equity in net gains of unconsolidated investments	(123,773)	(9,636)	(186,868)
Deferred tax (benefit) expense	(37,457)	(33,675)	(52,549)
Decrease (increase) in operating assets:			
Investments in subsidiaries	(48,177)	95,758	31,287
Receivables from related parties	(39,000)	1,000	(16,000)
Note receivable from related party	—	(299,925)	11,940
Other assets	—	(118)	(1,425)
(Decrease) increase in operating liabilities:			
Accounts payable, accrued and other liabilities	51,102	(34,317)	39,295
Net cash used in operating activities	(64,638)	(271,944)	(98,520)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for acquisitions, net of cash acquired	—	(306)	(230)
Net cash used in investing activities	—	(306)	(230)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends to stockholders	(131,360)	(105,132)	(91,395)
Repurchase of Class A common stock	(12,114)	(100,268)	(15,528)
Issuance of senior notes, net of deferred issuance costs	—	295,091	—
Repayments of collateralized borrowings	—	—	(11,940)
Distributions from subsidiaries	146,032	116,648	171,980
Proceeds from offering of Class A common stock, net	61,527	65,856	45,673
Proceeds from exercises of stock options	701	—	—
Net cash provided by financing activities	64,786	272,195	98,790
Net increase (decrease) in cash and cash equivalents	148	(55)	40
Cash and cash equivalents at beginning of period	12	67	27
Cash and cash equivalents at end of period	160	$ 12	$ 67
Supplemental non-cash information:			
Issuance of Class A common stock upon exchange of limited partnership interests	$ 79,309	$ 87,212	$ 65,908
Issuance of Class A, contingent Class A common stock and limited partnership interests for acquisitions	39,635	57,907	1,776
Issuance of Class A common stock upon conversion of 8.75% convertible notes	150,000	—	—
Donations with respect to Charity Day	—	—	5,720

See accompanying Notes to Financial Statements.

BGC PARTNERS, INC.
(Parent Company Only)
NOTES TO FINANCIAL STATEMENTS

1. Organization and Basis of Presentation

The accompanying Parent Company Only Financial Statements of BGC Partners, Inc. (“BGC Partners” or the “Company”) should be read in conjunction with the consolidated financial statements of BGC Partners, Inc. and subsidiaries and the notes thereto. In addition, certain reclassifications have been made to previously reported amounts to conform to the current presentation.

2. Commitments, Contingencies and Guarantees

On various dates beginning in 2009 and most recently in December 2012, subsidiaries of the Company entered into secured loan arrangements, under which they pledged certain fixed assets as security for loans. The secured loan arrangements had fixed rates between 2.62% and 8.09% per annum and were repayable in consecutive monthly installments with the final payments due in December 2016. During the year ended December 31, 2014, the Company prepaid $1.5 million related to the secured loan arrangements; therefore, these secured loan arrangements were not outstanding as of December 31, 2015 or 2014.

On March 13, 2015, subsidiaries of the Company entered into a new secured loan arrangement of $28.2 million, under which they pledged certain fixed assets as security for a loan. This arrangement incurs interest at a fixed rate of 3.70% and matures on March 13, 2019. As of December 31, 2015, the Company had $23.0 million outstanding related to this secured loan arrangement, which includes $0.2 million of deferred financing costs. The value of the fixed assets pledged as of December 31, 2015 was $11.4 million.

On July 10, 2015, the Company and GFI Group Inc. (“GFI”) entered into a guarantee (the “Guarantee”) pursuant to which the Company has guaranteed the obligations of GFI under GFI’s 8.375% Senior notes due 2018 in the remaining aggregate principal amount of $240 million (the “Notes”) and the indenture for the Notes, dated as of July 19, 2011 (the “Indenture”), between GFI and The Bank of New York Mellon Trust Company, N.A., as Trustee. Pursuant to the terms of the Indenture, the interest rate on the Notes was reduced effective July 19, 2015 as a result of prior ratings increases following the acquisition of GFI by BGC Partners. Additional ratings increases due to the Guarantee would further reduce the interest rate of the Notes. The Company and GFI will share any cost savings, including interest and other costs, resulting from the credit enhancement provided by BGC Partners.

3. Long Term Debt

On April 1, 2010, the Company issued an aggregate of $150.0 million principal amount of Convertible Notes to BGC Holdings, L.P., which further issued an aggregate of $150.0 million Convertible Notes to Cantor in a private placement transaction. In a back-to-back transaction, the Company loaned the $150.0 million to BGC Partners, L.P., which utilized the proceeds to repay at maturity $150.0 million aggregate principal amount of Senior Notes due April 1, 2010.

The Convertible Notes bore an annual interest rate of 8.75%, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2010. On April 13, 2015, the 8.75% Convertible Notes were fully converted into 24,042,599 shares of the Company’s Class A common stock, par value $0.01 per share, and issued to Cantor Fitzgerald L.P. The Company recorded interest expense related to the 8.75% Convertible Notes of $3.8 million for the year ended December 31, 2015 and $13.1 for the years ending December 31, 2014 and 2013, respectively.

On various dates during the years ended December 31, 2010 and 2011, the Company (as Co-Lessee with other related entities) sold certain furniture, equipment and software for $34.2 million, net of costs and concurrently entered into agreements to lease the property back. The principal and interest on the leases were repayable in equal monthly installments for terms of 36 months (software) and 48 months (furniture and equipment) with maturities through September 2014.

During the year ended December 31, 2013, the Company terminated the leases and prepaid the outstanding balance of $7.2 million. Because the leases were terminated during the year ended December 31, 2013, the Company had no outstanding balance or fixed assets related to the leases as of December 31, 2014 nor December 31, 2015. The Company recorded interest expense of $0.7 million for the year ended December 31, 2013.

On July 29, 2011, the Company issued an aggregate of $160.0 million principal amount 4.50% Convertible Notes due 2016. The 4.50% Convertible Notes are general senior unsecured obligations of BGC Partners. The 4.50% Convertible Notes pay interest semiannually at a rate of 4.50% per annum and were priced at par. The 4.50% Convertible Notes will mature on July 15, 2016, unless earlier repurchased, exchanged or converted. The Company recorded interest expense related to the 4.50% Convertible Notes of $12.0 million, $11.9 million and $11.7 million for the years ended December 31, 2015, 2014 and 2013, respectively.

As of December 31, 2015, the 4.50% Convertible Notes were convertible, at the holder's option, at a conversion rate of 101.6260 shares of Class A common stock per $1,000 principal amount of notes, subject to adjustment in certain circumstances, including stock dividends and stock splits on the Class A common stock and the Company's payment of a quarterly cash dividend in excess of $0.17 per share of Class A common stock. Upon conversion, the Company will pay or deliver cash, shares of the Company's Class A common stock, or a combination thereof at the Company's election. As of December 31, 2015, the 4.50% Convertible Notes were convertible into approximately 16.3 million shares of Class A common stock.

As prescribed by FASB guidance, Debt, the Company recognized the value of the embedded conversion feature of the 4.50% Convertible Notes as an increase to "Additional paid-in capital" of approximately $19.0 million on a pre-tax basis ($16.1 million net of taxes and issuance costs). The embedded conversion feature was measured as the difference between the proceeds received and the fair value of a similar liability without the conversion feature. The value of the conversion feature is treated as a debt discount and reduced the initial carrying value of the 4.50% Convertible Notes to $137.2 million, net of debt issuance costs of $3.8 million allocated to the debt component of the instrument. The discount is amortized as interest cost and the carrying value of the 4.50% Convertible notes will accrete up to the face amount over the term of the notes.

In connection with the offering of the 4.50% Convertible Notes, the Company entered into capped call transactions, which are expected to reduce the potential dilution of the Company's Class A common stock upon any conversion of the 4.50% Convertible Notes in the event that the market value per share of the Company's Class A common stock, as measured under the terms of the capped call transactions, is greater than the strike price of the capped call transactions ($10.78 as of December 31, 2015, subject to adjustment in certain circumstances). The capped call transactions had a cap price equal to $13.48 per share as of December 31, 2015. The purchase price of the capped call transactions resulted in a decrease to "Additional paid-in capital" of $11.4 million on a pre-tax basis ($9.9 million on an after-tax basis). The capped call transactions cover approximately 14.8 million shares of BGC's Class A common stock as of December 31, 2015, subject to adjustment in certain circumstances.

On June 26, 2012, the Company issued an aggregate of $112.5 million principal amount of 8.125% Senior Notes due 2042. The 8.125% Senior Notes are senior unsecured obligations of BGC Partners. The 8.125% Senior Notes may be redeemed for cash, in whole or in part, on or after June 26, 2017, at the Company's option, at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. The 8.125% Senior Notes are listed on the New York Stock Exchange under the symbol "BGCA." The Company used the proceeds to repay short-term borrowings under its unsecured revolving credit facility and for general corporate purposes, including acquisitions.

The initial carrying value of the 8.125% Senior Notes was $108.7 million, net of debt issuance costs of $3.8 million. The issuance costs are amortized as interest cost, and the carrying value of the 8.125% Senior Notes will accrete up to the face amount over the term of the notes. The Company recorded interest expense related to the 8.125% Senior Notes of $9.3 million for the years ended December 31, 2015, 2014 and 2013, respectively.

On December 9, 2014, the Company issued an aggregate of $300.0 million principal amount of 5.375% Senior Notes due 2019 ("the 5.375% Senior Notes"). The 5.375% Senior Notes are general senior unsecured obligations of the Company. These Senior Notes bear interest at a rate of 5.375% per year, payable in cash on June 9 and December 9 of each year, commencing June 9, 2015. The interest rate payable on the notes will be subject to adjustments from time to time based on the debt rating assigned by specified rating agencies to the notes, as set forth in the Indenture. The 5.375% Senior Notes will mature on December 9, 2019. The Company may redeem some or all of the notes at any time or from time to time for cash at certain "make-whole" redemption prices (as set forth in the Indenture). If a "Change of Control Triggering Event" (as defined in the Indenture) occurs, holders may require the Company to purchase all or a portion of their notes for cash at a price equal to 101% of the principal amount of the notes to be purchased plus any accrued and unpaid interest to, but excluding, the purchase date.

The initial carrying value of the 5.375% Senior Notes was $295.1 million, net of the discount and debt issuance costs of $4.9 million. The issuance costs are amortized as interest cost, and the carrying value of the 5.375% Senior Notes will accrete up to the face amount over the term of the notes. The Company recorded interest expense related to the 5.375% Senior Notes of $17.1 million and $1.0 million for the years ended December 31, 2015 and 2014, respectively. There was no interest expense related to the 5.375% Senior Notes for the year ended December 31, 2013.

EXHIBIT INDEX

Exhibit Number	Exhibit Title
1.1	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated September 9, 2011 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 9, 2011)
1.2	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated February 15, 2012 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 15, 2012)
1.3	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated December 12, 2012 (incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 12, 2012)
1.4	Controlled Equity Offering SM Sales Agreement between BGC Partners, Inc. and Cantor Fitzgerald & Co., dated November 20, 2014 (incorporated by reference as Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on November 20, 2014)
2.1	Agreement and Plan of Merger, dated as of May 29, 2007, by and among eSpeed, Inc., BGC Partners, Inc., Cantor Fitzgerald, L.P., BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A filed with the SEC on February 11, 2008)**
2.2	Amendment No. 1, dated as of November 5, 2007, to the Agreement and Plan of Merger, dated as of May 29, 2007, by and among eSpeed, Inc., BGC Partners, Inc., Cantor Fitzgerald, L.P., BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A filed with the SEC on February 11, 2008)**
2.3	Amendment No. 2, dated as of February 1, 2008, to the Agreement and Plan of Merger, dated as of May 29, 2007, by and among eSpeed, Inc., BGC Partners, Inc., Cantor Fitzgerald, L.P., BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A filed with the SEC on February 11, 2008)**
2.4	Separation Agreement, dated as of March 31, 2008, by and among Cantor Fitzgerald, L.P., BGC Partners, LLC, BGC Partners, L.P., BGC Global Holdings, L.P. and BGC Holdings, L.P. (incorporated by reference to Exhibit 2.4 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
2.5	Tender Offer Agreement executed by BGC Partners, Inc., BGC Partners, L.P. and GFI Group Inc., dated February 19, 2015 (incorporated by reference as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 25, 2015)**
2.6	Agreement and Plan of Merger, dated December 22, 2015, by and among BGC Partners, Inc., JPI Merger Sub 1, Inc., JPI Merger Sub 2, LLC, Jersey Partners Inc., New JP Inc., Michael Gooch and Colin Heffron (incorporated by reference as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 23, 2015)
3.1	Amended and Restated Certificate of Incorporation of BGC Partners, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
3.2	Amended and Restated Bylaws of BGC Partners, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
4.1	Specimen Class A Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1 filed with the SEC on April 18, 2008)

Exhibit Number	Exhibit Title
4.2	Note Purchase Agreement, dated as of March 31, 2008, by and among BGC Partners, L.P. and the Purchasers whose names appear at the end thereof (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
4.3	Guaranty of BGC Partners, Inc., dated as of March 31, 2008 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
4.4	Letter Agreement, dated as of March 31, 2008, by and between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
4.5	Indenture, dated as of July 29, 2011, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to the 4.50% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 1, 2011)
4.6	Indenture, dated as of June 26, 2012, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to 8.125% Senior Notes due 2042 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on June 27, 2012)
4.7	First Supplemental Indenture, dated as of June 26, 2012, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to 8.125% Senior Notes due 2042 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on June 27, 2012)
4.8	Second Supplemental Indenture, dated December 9, 2014, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 10, 2014)
4.9	Form of BGC Partners, Inc. 5.375% Senior Notes due 2019 (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed with the SEC on December 10, 2014)
4.10	Promissory Note, dated April 28, 2015, from BGC Partners, L.P. to GFI Group Inc. in the aggregate amount of $250,000,000 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015)
4.11	Guarantee, dated as of July 10, 2015, by and between BGC Partners, Inc. and GFI Group Inc. (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K field with the SEC on July 10, 2015)
4.12	Revolving Credit Agreement, dated as of October 1, 2015, between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 4.33 to the Registrant's Registration Statement on Form S-3 (333- 207376) filed with the SEC on October 9, 2015))
4.13	First Supplemental Indenture, dated as of November 4, 2015, among GFI Group Inc., BGC Partners, Inc. and the Bank of New York Mellon Trust Company, N.A, as Trustee, relating to the 8.375% Senior Notes due 2018 (incorporated by reference to Exhibit 4.4 to the Registrant's Current Report on Form 10-Q filed with the SEC on November 9, 2015)
4.14	Second Supplemental Indenture, dated as of January 12, 2016, among GFI Group Inc., as Issuer, BGC Partners, Inc., as Guarantor, and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 15, 2016)
10.1	Registration Rights Agreement, dated as of December 9, 1999, by and among eSpeed, Inc. and the Investors named therein (incorporated by reference to Exhibit 10.6 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1999)
10.2	Stock Purchase Agreement, dated April 26, 2000, between eSpeed, Inc. and Cantor Fitzgerald Securities (incorporated by reference to Exhibit 10.10 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000)
10.3	Amendment to Stock Purchase Agreement, dated June 2, 2000, among eSpeed, Inc., Cantor Fitzgerald Securities and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.11 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000)
10.4	Registration Rights Agreement, dated as of July 30, 2001, among eSpeed, Inc. and the Investors named therein (incorporated by reference to Exhibit 10.19 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2001)
10.5	Services Agreement, dated as of October 1, 2002, between eSpeed Inc. and CO2e.com, LLC (incorporated by reference to Exhibit 10.21 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002)+

Exhibit Number	Exhibit Title
10.6	Intellectual Property Rights Further Assurances Agreement, dated as of October 11, 2002, between eSpeed, Inc. and CO2e.com, LLC (incorporated by reference to Exhibit 10.23 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002)+
10.7	Software Agreement, dated as of February 24, 2006, between eSpeed, Inc. and IDT Horizon GT, Inc. (incorporated by reference to Exhibit 10.19 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2005)
10.8	Amended and Restated Limited Partnership Agreement of BGC Holdings, L.P., dated as of March 31, 2008 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.9	Amended and Restated Limited Partnership Agreement of BGC Partners, L.P., dated as of March 31, 2008 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.10	Amended and Restated Limited Partnership Agreement of BGC Global Holdings, L.P., dated as of March 31, 2008 (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.11	Registration Rights Agreement by and between Cantor Fitzgerald, L.P. and BGC Partners, LLC, dated as of March 31, 2008 (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)**
10.12	Administrative Services Agreement, dated as of March 6, 2008, by and between Cantor Fitzgerald, L.P. and BGC Partners, Inc. (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.13	Administrative Services Agreement, dated as of August 9, 2007, by and among Tower Bridge International Services L.P. and BGC International (incorporated by reference to Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.14	BGC Holdings, L.P. Participation Plan, effective as of April 1, 2008 (incorporated by reference to Exhibit 10.8 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.15	Tax Receivable Agreement, dated as of March 31, 2008, by and between BGC Partners, LLC and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.7 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.16	License Agreement, dated as of April 1, 2008, by and between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.10 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)
10.17	Change in Control Agreement, dated as of March 31, 2008, by and between Howard W. Lutnick and BGC Partners, LLC (incorporated by reference to Exhibit 10.12 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.18	Change in Control Agreement, dated as of March 31, 2008, by and between Stephen M. Merkel and BGC Partners, LLC (incorporated by reference to Exhibit 10.13 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.19	Change in Control Agreement, dated as of March 31, 2008, by and between Lee M. Amaitis and BGC Partners, LLC (incorporated by reference to Exhibit 10.14 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*

Exhibit Number	Exhibit Title
10.20	Letter Agreement, dated as of March 31, 2008, by and between Shaun D. Lynn and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.16 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2008)*
10.21	Stock Purchase Agreement, dated June 2, 2008, by and between BGC Partners, Inc. and Stephen M. Merkel (incorporated by reference to Exhibit 10.31 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)*
10.22	Amended and Restated Letter Agreement, dated as of November 1, 2008, by and between Lee M. Amaitis and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.32 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)*
10.23	Clearing Services Agreement, dated May 6, 2008, Cantor Fitzgerald & Co. and BGC Financial, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.24	Amendment to Clearing Services Agreement, dated November 7, 2008, between Cantor Fitzgerald & Co. and BGC Financial, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.25	Agreement dated November 5, 2008 between BGC Partners, Inc. and Cantor Fitzgerald, L.P. regarding clearing capital (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.26	Agreement of Limited Partnership of BGC Partners, L.P., Amended and Restated as of September 1, 2008 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.27	Agreement of Limited Partnership of BGC Global Holdings, L.P., Amended and Restated as of September 1, 2008 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 11, 2008)
10.28	BGC Partners, Inc. Amended and Restated Incentive Bonus Compensation Plan as of December 8, 2008 (incorporated by reference to Exhibit 10.38 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)*
10.29	First Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of March 1, 2009 (incorporated by reference to Exhibit 10.40 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2009)
10.30	Second Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of August 3, 2009 (incorporated by reference to Exhibit 10.39 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2010)
10.31	Third Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of March 12, 2010 (incorporated by reference to Exhibit 10.40 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2010)
10.32	Subscription Agreement, dated March 16, 2010, among BGC Partners, Inc., BGC Holdings, L.P. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.43 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2010)

Exhibit Number	Exhibit Title
10.33	Fourth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of August 6, 2010 (incorporated by reference to Exhibit 10.44 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 9, 2010)
10.34	Registration Rights Agreement, dated as of April 1, 2010, by and between BGC Partners, Inc. and Cantor Fitzgerald, L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 7, 2010)
10.35	Supplemental Indenture dated May 4, 2010 between BGC Partners, Inc. and Wells Fargo Bank National Association (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 5, 2010)
10.36	Fifth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of December 31, 2010 (incorporated by reference to Exhibit 10.48 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2011)
10.37	Letter Agreement, dated as of March 26, 2010, by and between Shaun D. Lynn and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.38	Amendment, dated as of March 26, 2010, by and between Shaun D. Lynn and BGC Partners, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.39	Letter Agreement, dated as of March 29, 2010, by and between Sean A. Windeatt and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.40	Letter Agreement, dated as of March 29, 2010, by and between A. Graham Sadler and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 31, 2010)*
10.41	Letter Agreement, dated as of December 17, 2010, by and between Stephen M. Merkel and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.54 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.42	Letter Agreement, dated as of December 17, 2010, by and between Shaun Lynn and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.55 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.43	Letter Agreement, dated as of December 17, 2010, by and between A. Graham Sadler and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.56 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.44	Letter Agreement, dated as of December 17, 2010, by and between Sean Windeatt and BGC Holdings, L.P. (incorporated by reference to Exhibit 10.57 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)*
10.45	Sixth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of March 15, 2011 (incorporated by reference to Exhibit 10.58 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2011)
10.46	Seventh Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P. dated as of September 9, 2011 and effective as of April 1, 2011 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 15, 2011)
10.47	Tower Bridge International Services L.P. and BGC Brokers L.P. Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.60 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.48	Tower Bridge International Services L.P. and Cantor Fitzgerald Europe Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.61 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.49	Tower Bridge International Services L.P. and Cantor Index Limited Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.62 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2012)

Exhibit Number	Exhibit Title
10.50	Tower Bridge International Services L.P. and BGC International Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.63 to the Registrant’s Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.51	Tower Bridge International Services L.P. and eSpeed International Limited Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.64 to the Registrant’s Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.52	Tower Bridge International Services L.P. and eSpeed Support Services Limited Administrative Services Agreement dated January 9, 2012 (incorporated by reference to Exhibit 10.65 to the Registrant’s Annual Report on Form 10-K filed with the SEC on March 15, 2012)
10.53	Amended and Restated Change in Control Agreement dated August 3, 2011 between Howard W. Lutnick and BGC Partners, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant’s Quarterly Report on Form 10-Q filed with the SEC on August 8, 2011)*
10.54	Amended and Restated Change in Control Agreement dated August 3, 2011 between Stephen M. Merkel and BGC Partners, Inc. (incorporated by reference to Exhibit 10.2 to the Registrant’s Quarterly Report on Form 10-Q filed with the SEC on August 8, 2011)*
10.55	Credit Agreement dated as of June 23, 2011 by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, as Guarantors, the several financial institutions from time to time party thereto, as Lenders, and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed with the SEC on June 28, 2011)
10.56	Capped Call Confirmation dated July 28, 2011 between Bank of America Merrill Lynch and BGC Partners, Inc. (incorporated by reference to Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed with the SEC on August 1, 2011)
10.57	Capped Call Confirmation dated July 28, 2011 among Deutsche Bank AG, London Branch, Deutsche Bank Securities Inc., and BGC Partners, Inc (incorporated by reference to Exhibit 10.2 to the Registrant’s Current Report on Form 8-K filed with the SEC on August 1, 2011)
10.58	First Amended and Restated Incentive Bonus Compensation Plan dated December 14, 2011 (incorporated by reference to Exhibit 10.2 to the Registrant’s Current Report on Form 8-K filed with the SEC on December 20, 2011)*
10.59	Indenture, dated as of July 29, 2011, between BGC Partners, Inc. and U.S. Bank National Association, as Trustee, relating to the 4.50% Convertible Notes due 2016 (incorporated by reference to Exhibit 4.1 to the Registrant’s Current Report on Form 8-K filed with the SEC on August 1, 2011)
10.60	Underwriting Agreement dated as of June 21, 2012, by and among BGC Partners, Inc., Wells Fargo Securities, LLC, and certain other Underwriters (incorporated by reference to Exhibit 1.1 to the Registrant’s Current Report on Form 8-K filed with the SEC on June 27, 2012)
10.61	First Amendment to Credit Agreement, dated October 11, 2012, to that certain Credit Agreement dated as of June 23, 2011 by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, as Guarantors, the several financial institutions from time to time party thereto, as Lenders, and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference as Exhibit 10.1 to the Registrant’s Quarterly Report on Form 10-Q filed with the SEC on November 8, 2012)
10.62	Second Amended and Restated Asset Purchase Agreement, dated April 13, 2012, by and among BGC Partners, Inc., Grubb & Ellis Company, and certain subsidiaries of Grubb & Ellis Company that are signatories thereto (incorporated by reference as Exhibit 10.2 to the Registrant’s Quarterly Report on Form 10-Q filed with the SEC on November 8, 2012)
10.63	Eighth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P., dated as of December 17, 2012 and effective as of December 17, 2012 (incorporated by reference to Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed with the SEC on December 21, 2012)

Exhibit Number	Exhibit Title
10.64	Deed of Adherence, dated January 7, 2013, between Shaun D. Lynn and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.83 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012)*
10.65	Deed of Adherence, dated December 31, 2012, between A. Graham Sadler and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.85 to the Registrant's Annual Report on 10-K for the year ended December 31, 2012)*
10.66	Amendment No. 1, dated as of March 28, 2013, to the Deed of Adherence, dated January 7, 2013, between Shaun D. Lynn and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2013)*
10.67	Second Amendment to Credit Agreement and Waiver, dated as of June 20, 2013, by and among BGC Partners, Inc., the several financial institutions from time to time party thereto, as Lenders, and the Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 26, 2013)
10.68	Purchase Agreement, dated as of April 1, 2013, by and among BGC Partners, Inc., BGC Partners, L.P., The NASDAQ OMX Group, Inc., and for certain limited purposes, Cantor Fitzgerald, L.P. (incorporated by reference as Exhibit 2.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2013)
10.69	Third Amendment, dated as of September 12, 2013, to Credit Agreement, dated as of June 23, 2011, by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, as guarantors, the several financial institutions from time to time party thereto, as Lenders, and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2013)
10.70	Ninth Amendment to Agreement of Limited Partnership, as amended and restated, of BGC Holdings, L.P., dated as of November 6, 2013 (incorporated by reference as Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 7, 2013)
10.71	Amended and Restated Deed of Adherence, dated as of January 22, 2014, between Sean Windeatt and BGC Services (Holdings) LLP (incorporated by reference as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 28, 2014)
10.72	Tenth Amendment to Agreement of Limited Partnership, as Amended and Restated, of BGC Holdings, L.P., dated as of May 9, 2014 (incorporated by reference as Exhibit 10.1 to the Registrant's Quarterly Report on 10-Q filed with the SEC on May 9, 2104)
10.73	Sixth Amended and Restated Long Term Incentive Plan, dated as of June 2, 2015 (incorporated by reference as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 5, 2015)*
10.74	Letter Agreement, dated as of August 24, 2015, among BGC Partners, Inc., BGC Partners, L.P. and GFI Group Inc., relating to shareholder litigation and the Tender Offer Agreement (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2015)
10.75	Eleventh Amendment to Agreement of Limited Partnership, as Amended and Restated, of BGC Holdings, L.P., dated as of November 4, 2015 (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2015)*
10.76	Stock Purchase Agreement by and among GFINet, Inc., GFI TP Holdings Pte Ltd, Intercontinental Exchange, Inc., and, solely for the purposes set forth therein, GFI Group Inc. and BGC Partners, Inc. (incorporated by reference to the Registrant's Current Report on Form 8-K filed with the SEC on November 18, 2015)
10.77	Credit Agreement, dated as of February 25, 2016, by and among BGC Partners, Inc., certain direct and indirect subsidiaries of the Company, the several financial institutions from time to time party thereto, as Lenders, and Bank of America, N.A., as Administrative Agent
12.1	Computation of Ratio of Earnings to Fixed Charges
21.1	List of subsidiaries of BGC Partners, Inc.
23.1	Consent of Ernst & Young LLP, independent auditors.

Exhibit Number	Exhibit Title
31.1	Certification by the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by the Chief Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from BGC Partners' Annual Report on Form 10-K for the period ended December 31, 2015 are formatted in eXtensible Business Reporting Language (XBRL): (i) the Consolidated Statements of Financial Condition, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Changes in Equity, (vi) Notes to the Consolidated Financial Statements, and (vii) Schedule I, Parent Company Only Financial Statements.

* Management contracts and compensation plans and arrangements required to be filed as Exhibits to this Report.

** Omitted pursuant to Item 601(b)(2) of Regulation S-K.

\+ We have requested confidential treatment as to certain portions of Exhibits designated by a cross (+), which portions have been omitted and filed previously with the SEC.

EXHIBIT 10.77

Deal CUSIP No. 05541WAC8
Revolver CUSIP No. 05541WAD6

CREDIT AGREEMENT

Dated as of February 25, 2016

among

BGC PARTNERS, INC.

as the Borrower,

CERTAIN SUBSIDIARIES OF THE BORROWER,

as Guarantors,

BANK OF AMERICA, N.A.,

as Administrative Agent,

CAPITAL ONE NATIONAL ASSOCIATION,
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD, NEW YORK BRANCH
and
U.S. BANK NATIONAL ASSOCIATION,

as Co-Syndication Agents,

ASSOCIATED BANK, NATIONAL ASSOCIATION
and
BANKUNITED, N.A.,

as Co-Documentation Agents

and

THE OTHER LENDERS PARTY HERETO

Arranged By:

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
CAPITAL ONE NATIONAL ASSOCIATION,
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD, NEW YORK BRANCH
and
U.S. BANK NATIONAL ASSOCIATION,

as Joint Lead Arrangers and Bookrunners

TABLE OF CONTENTS

SCHEDULES

EXHIBITS

CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of February 25, 2016 among BGC PARTNERS, INC., a Delaware corporation (the " Borrower "), the Guarantors from time to time party hereto, the Lenders (defined herein) and BANK OF AMERICA, N.A., as Administrative Agent.

The Borrower has requested that the Lenders provide credit facilities for the purposes set forth herein, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms .

As used in this Agreement, the following terms shall have the meanings set forth below:

" Acquisition ", by any Person, means the acquisition by such Person, in a single transaction or in a series of related transactions, of either (a) all or substantially all of the property of, or a line of business or division of, another Person or (b) at least a majority of the Voting Stock of another Person, in each case whether or not involving a merger or consolidation with such other Person.

" Administrative Agent " means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

" Administrative Agent's Office " means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.
" Administrative Questionnaire " means an Administrative Questionnaire in substantially the form of Exhibit 11.06(b)(iv) or any other form approved by the Administrative Agent.

" Affiliate " means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

" Aggregate Revolving Commitments " means the Revolving Commitments of all the Lenders. The initial amount of the Aggregate Revolving Commitments in effect on the Closing Date is ONE HUNDRED AND FIFTY MILLION DOLLARS ($150,000,000).

" Agreement " means this Credit Agreement.

" Applicable Percentage " means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Revolving Commitments represented by such Lender's Revolving Commitment at such time; provided that if the commitment of each Lender to make Revolving Loans has been terminated pursuant to Section 8.02 or if the Aggregate Revolving Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable

Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption or other documentation pursuant to which such Lender becomes a party hereto, as applicable. The Applicable Percentages shall be subject to adjustment as provided in Section 2.15 .

" Applicable Rate " means the following percentages per annum, based on the applicable rate per annum set forth in the below table:

Pricing Level	Debt Rating	Commitment Fee	Applicable Margin for Eurodollar Rate Loans	Applicable Margin for Base Rate Loans
I	≥ BBB+/BBB+	20.0 bps	150.0 bps	50.0 bps
II	BBB/BBB	25.0 bps	175.0 bps	75.0 bps
III	BBB-/BBB-	30.0 bps	200.0 bps	100.0 bps
IV	≤ BB+/BB+	40.0 bps	250.0 bps	150.0 bps

Each change in the Applicable Rate resulting from a change in the Debt Rating of the Borrower shall be effective for the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. Notwithstanding the above, (i) if at any time there is a split in the Debt Ratings between S&P and Fitch, and the Debt Ratings differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level I being the highest and the Debt Rating for Pricing Level IV being the lowest); (ii) if there is a split in Debt Ratings between S&P and Fitch of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply; (iii) if the Borrower has only one Debt Rating, such Debt Rating shall apply; and (iv) if the Borrower does not have any Debt Rating, Pricing Level IV shall apply.

" Approved Fund " means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

" Arrangers " means Merrill Lynch, Pierce, Fenner & Smith Incorporated, Capital One National Association, Industrial and Commercial Bank of China Ltd, New York Branch and U.S. Bank National Association in their capacity as joint lead arrangers and bookrunners.

" Assignment and Assumption " means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit 11.06(b) or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

" Attributable Indebtedness " means, with respect to any Person on any date, (a) in respect of any capital lease, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease, (c) in respect of any Securitization Transaction, the outstanding principal amount of such financing, after taking into account reserve accounts and making appropriate adjustments, determined by the Administrative Agent in its reasonable judgment and (d) in respect of any Sale and Leaseback Transaction, the present value (discounted in accordance with GAAP at the debt rate implied in the applicable lease) of the obligations of the lessee for rental payments during the term of such lease.

"Audited Financial Statements" means the audited consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal years ended 2012, 2013 and 2014, and the related consolidated statements of income or operations, shareholder's equity and cash flows of the Borrower and its Subsidiaries for such fiscal year, including the notes thereto.

"Availability Period" means, with respect to the Revolving Commitments, the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Revolving Commitments pursuant to Section 2.06, and (c) the date of termination of the commitment of each Lender to make Loans.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bank of America" means Bank of America, N.A. and its successors.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate" and (c) the Eurodollar Rate plus 1.0%; and if Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such "prime rate" announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

"Base Rate Loan" means a Loan that bears interest based on the Base Rate.

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing" means a borrowing consisting of simultaneous Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

" Capital Requirements " means the minimum capital requirements applicable to a Regulated Subsidiary pursuant to applicable law, rule or regulation, including any such requirements imposed by any self-regulatory organization.

" Cash AD Loan " means a loan made by the Borrower or one of its Subsidiaries to an employee of the Borrower or one of its Subsidiaries which is to be repaid with the distributions in respect of limited partnership units allocated to such employee, and which is generally expected to be forgiven if such employee remains employed by the Borrower or one of its Subsidiaries at the conclusion of a specific period of time.

" Cash Equivalents " means any of the following types of Investments, to the extent owned by the Borrower or any of its Subsidiaries free and clear of all Liens (other than Permitted Liens):

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than three hundred sixty days (360) days from the date of acquisition thereof; provided that the full faith and credit of the United States is pledged in support thereof;

(b) time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank that (i) (A) is a Lender or (B) is organized under the laws of the United States, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (c) of this definition and (iii) has combined capital and surplus of at least $1,000,000,000, in each case with maturities of not more than one year from the date of acquisition thereof;

(c) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least "Prime-1" (or the then equivalent grade) by Moody's or at least "A-1" (or the then equivalent grade) by S&P, in each case with maturities of not more than one year from the date of acquisition thereof; and

(d) Investments, classified in accordance with GAAP as current assets of the Borrower or any of its Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody's or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b) and (c) of this definition.

" CFTC " means the Commodities Futures Trading Commission or any other regulatory body that succeeds to the functions of the Commodities Futures Trading Commission.

" Change in Law " means the occurrence, after the Closing Date (or, with respect to any Lender that is not a Lender on the Closing Date, such later date on which such Lender becomes a party to this Agreement), of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of Law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means an event or series of events by which the Permitted Holders fail to own, directly or indirectly, a sufficient amount of the Voting Stock of the Borrower in order to elect a majority of the members of the Board of Directors of the Borrower.

"Closing Date" means the date of this Agreement.

"Commitment" means, as to each Lender, the Revolving Commitment of such Lender.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*).

"Compliance Certificate" means a certificate substantially in the form of Exhibit 6.02 .

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated EBIT" means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income (excluding extraordinary and other non-recurring gains and losses and charges) for such period plus the following to the extent deducted in calculating such Consolidated Net Income: (a) Consolidated Interest Charges with respect to the Borrower and its Subsidiaries for such period, (b) the provision for federal, state, local and foreign income taxes payable by Borrower and its Subsidiaries for such period, (c) the amount of amortization expense related to bonuses, any amortization related to any forgivable loan made in lieu of or for the same purpose as a bonus and any amortization related to restricted stock awards or similar awards for such period, (d) reserves taken on Cash AD Loans, (e) charges relating to grants of exchangeability to limited partnership interests, redemption or repurchase of units or shares or the issuance of restricted shares, (f) distributions on grant units or other partnership units and allocations of net income limited to partnership units and (g) impairment charges; provided that for purposes of calculating the financial covenants, no EBITDA (either historically or prospectively) shall be counted from any Subsidiary to the extent it is contractually prohibited from making distributions to the Borrower at such time.

"Consolidated EBITDA" means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income (excluding extraordinary and other non-recurring gains and losses and charges) for such period plus the following to the extent deducted in calculating such Consolidated Net Income: (a) Consolidated Interest Charges with respect to the Borrower and its Subsidiaries for such period, (b) the provision for federal, state, local and foreign income taxes payable by Borrower and its Subsidiaries for such period, (c) the amount of depreciation and amortization expense (including any amortization related to mortgage servicing rights, amortization related to bonuses, any amortization related to any forgivable loan made in lieu of or for the same purpose as a bonus and any amortization related to restricted stock awards or similar awards) for such period, (d) reserves taken on Cash AD Loans, (e) charges relating to grants of exchangeability to limited partnership interests, redemption or repurchase of units or shares or the issuance of restricted shares, (f) distributions on grant units or other partnership units and allocations of net income limited to partnership units and (g) impairment charges; provided that for purposes of calculating the financial covenants, no EBITDA (either historically or prospectively) shall be counted from any Subsidiary to the extent it is contractually prohibited from making distributions to the Borrower at such time.

" Consolidated Funded Indebtedness " means, as of any date of determination, all Funded Indebtedness of the Borrower and its Subsidiaries.

" Consolidated Interest Charges " means, for any period, for any Person, the sum of the following items to the extent paid in cash during such period (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest, but excluding any interest or other charges or expenses attributable to repurchase agreements and other securities lending or borrowing transactions) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, plus (b) the portion of rent expense with respect to such period under capital leases that is treated as interest in accordance with GAAP plus (c) the implied interest component of Synthetic Lease Obligations with respect to such period.

" Consolidated Interest Coverage Ratio " means, as of any fiscal quarter-end for which it is to be determined, the ratio of (a) Consolidated EBIT for the period of the four fiscal quarters ending on such date to (b) Consolidated Interest Charges with respect to the Borrower and its Subsidiaries for the period of the four fiscal quarters ending on such date, in each case calculated on a Pro Forma Basis in accordance with Section 1.03(c) .

" Consolidated Leverage Ratio " means, as of any fiscal quarter-end for which it is to be determined, the ratio of (a) Consolidated Funded Indebtedness as of such date to (b) Consolidated EBITDA for the period of the four fiscal quarters ending on such date, in each case calculated on a Pro Forma Basis in accordance with Section 1.03(c) .

" Consolidated Net Income " means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, net income (or loss) for such period; provided that Consolidated Net Income shall exclude any income (or loss) for such period of any Person if such Person is not a Subsidiary, except that the Borrower's equity in the net income of any such Person for such period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Borrower or a Subsidiary as a dividend or other distribution.

" Consolidated Net Worth " means, at any date for which it is to be determined, the sum, without duplication, of the following items which would be shown on a consolidated balance sheet of the Borrower and its Subsidiaries prepared in accordance with GAAP as of such date: stockholders' equity (including capital stock, additional paid-in capital, contingent stock, retained earnings and accumulated other comprehensive income) plus the aggregate amount of all redeemable partnership interests plus the aggregate amount of all non-controlling interests in Subsidiaries.

" Contractual Obligation " means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

" Control " means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. " Controlling " and " Controlled " have meanings correlative thereto.

" Credit Extension " means any Borrowing.

" Debt Issuance " means the issuance by any Loan Party or any Subsidiary of any Indebtedness other than Indebtedness permitted under Section 7.03 .

" Debtor Relief Laws " means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

" Debt Rating " means, as of any date of determination, the rating as determined by either S&P or Fitch of a Person's non-credit-enhanced, senior unsecured long-term debt. The Debt Rating in effect at any date is the Debt Rating that is in effect at the close of business on such date.

" Default " means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

" Default Rate " means (a) with respect to any Obligation for which a rate is specified, a rate per annum equal to two percent (2%) in excess of the rate otherwise applicable thereto and (b) with respect to any Obligation for which a rate is not specified or available, a rate per annum equal to the Base Rate plus the Applicable Rate for Revolving Loans that are Base Rate Loans plus two percent (2%), in each case, to the fullest extent permitted by applicable Law.

" Defaulting Lender " means, subject to Section 2.15(b) , any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) upon delivery of a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower and each other Lender promptly following such determination.

" Designated Jurisdiction " means any country or territory to the extent that such country or territory itself is the subject of any Sanction, including, for purposes of this Agreement, on the date hereof, each of Belarus, Myanmar (Burma), Crimea region of Ukraine, Cuba, Iran, North Korea, Sudan, Syria and Zimbabwe.

" Disposition " or " Dispose " means the sale, transfer, license, lease or other disposition of any property by any Loan Party or any Subsidiary, including any Sale and Leaseback Transaction and any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

" Disqualified Institution " means (a) any competitors of the Borrower and its Subsidiaries identified on Schedule 1.01 as of the Closing Date and (b) any other Person who is a competitor of the Borrower and its Subsidiaries which has been designated by the Borrower as a "Disqualified Institution" by written notice to the Administrative Agent and the Lenders (including by posting such notice to the Platform) not less than 5 Business Days prior to the effectiveness thereof; provided that, (i) it is understood and agreed that Schedule 1.01 shall be updated upon the effectiveness of a new Disqualified Institution, (ii) the Administrative Agent shall have the right, and the Borrower hereby expressly authorizes the Administrative Agent, to post Schedule 1.01 , and any updates thereto from time to time, on the Platform and to provide Schedule 1.01 to each Lender requesting the same and (iii) "Disqualified Institutions" shall exclude any Person that the Borrower has designated as no longer being a "Disqualified Institution" by written notice delivered to the Administrative Agent and the Lenders. For the avoidance of doubt, with respect to any Person who becomes a Disqualified Institution after the date on which it entered into a binding agreement to purchase all or a portion of the rights and obligations of an assigning Lender, such Person shall not retroactively be disqualified from being or becoming a Lender.

" Dollar " and " $ " mean lawful money of the United States.

" Domestic Subsidiary " means any Subsidiary that is organized under the Laws of any state of the United States or the District of Columbia.

" EBITDA " means, with respect to any Person, that portion of Consolidated EBITDA attributable to such Person.

" EEA Financial Institution " means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

" EEA Member Country " means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

" EEA Resolution Authority " means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

" Eligible Assignee " means any Person that meets the requirements to be an assignee under Sections 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

" Eligible Line of Business " means (a) any business in which the Borrower or any of its Subsidiaries are engaged or have an Investment in as of the Closing Date, (b) financial services including but not limited to broker-dealer and capital market transactions involving financial products (and transactions and services related thereto), investment banking, and structured products and brokerage (including, but not limited to, prime brokerage), asset management (including, but not limited to, wealth management and fund management), market data, technology, trade execution, clearing (including correspondent clearing), processing, information, securitization, servicing, legal services or marketplace services in any industry, including but not limited to securities, financial products, real estate, commodities, shipping, insurance, intellectual property, spectrum and entertainment, (c) real estate services including brokerage, investment sales, consulting, project and development management, and property and facilities management, (d) acting as an energy reseller and (e) any line of business complementary to the businesses in clause (a), (b), (c) and (d).

" Environmental Laws " means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

" Environmental Liability " means any liability (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Loan Party or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

" Equity Interests " means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

" ERISA " means the Employee Retirement Income Security Act of 1974.

" ERISA Affiliate " means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code), and with respect to which liability to the Borrower is reasonably expected to attach.

" ERISA Event " means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA, (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or, to the knowledge of the Borrower, that a Multiemployer Plan is in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Internal Revenue Code or Sections 303, 304 and 305 of ERISA, as applicable (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate or (i) a failure by the Borrower or any ERISA Affiliate to meet all applicable requirements under the Pension Funding Rules in respect of a Pension Plan, whether or not waived, or the failure by the Borrower or any ERISA Affiliate to make any required contribution to a Multiemployer Plan.

" EU Bail-In Legislation Schedule " means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

" Eurodollar Rate " means:

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate (" LIBOR ") or (if not available) a comparable or successor rate, which rate is approved by the Administrative Agent, as published by Bloomberg (or, if not available, such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the " LIBOR Rate ") at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the LIBOR Rate, at approximately 11:00 a.m., London time determined two Business Days prior to such date for Dollar deposits with a term of one month commencing that day;

provided that (i) to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided , further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied as otherwise reasonably determined by the Administrative Agent and (ii) if the Eurodollar Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

" Eurodollar Rate Loan " means a Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate."

" Event of Default " has the meaning specified in Section 8.01 .

" Excluded Taxes " means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the Laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a Law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(ii) , 3.01(a)(iii) or 3.01(c) , amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

" Facility Termination Date " means the date as of which all of the following shall have occurred: (a) all Commitments have terminated and (b) all Obligations arising under the Loan Documents have been paid in full (other than contingent indemnification obligations).

" FASB ASC " means the Accounting Standards Codification of the Financial Accounting Standards Board.

" FATCA " means Sections 1471 through 1474 of the Internal Revenue Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code.

" FCM " has the meaning set forth in the definition of "Regulated Subsidiary."

" Federal Funds Rate " means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

" Fee Letter " means that certain fee letter between the Borrower and Bank of America entered into as of December 24, 2015.

" FINRA " means the Financial Industry Regulatory Authority, Inc., or any other self-regulatory body which succeeds to the functions of the Financial Industry Regulatory Authority, Inc.

" Fitch " means Fitch, Inc., and any successor thereto.

" Foreign Lender " means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the Laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

" Foreign Subsidiary " means any Subsidiary that is not a Domestic Subsidiary.

" FRB " means the Board of Governors of the Federal Reserve System of the United States.

" Fund " means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

" Funded Indebtedness " means, without duplication, (a) all obligations of such Person for all indebtedness created, assumed or incurred in any manner by such Person representing money borrowed (including by the issuance of debt securities), (b) all indebtedness for the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business), (c) all indebtedness secured by any lien upon property of such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness, (d) all Attributable Indebtedness of such Person, (e) all obligations of such Person on or with respect to letters of credit and bankers' acceptances, (f) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (g) all indebtedness for borrowed money of any other Person which is directly or indirectly guaranteed by the Borrower or any of its Subsidiaries or which the Borrower or any of its Subsidiaries has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which the Borrower or any of its Subsidiaries has otherwise assured a creditor against loss and (h) all Guarantees of such Person in respect of the foregoing; provided, however, that Funded Indebtedness shall not include (i) accounts payable incurred in the ordinary course of business, (ii) short term obligations incurred in the ordinary course of business (iii) obligations of such Person in respect of Swap Contracts related to hedging or otherwise entered into in the ordinary course of business and (iv) to the extent such Person is a Regulated Subsidiary, obligations of such Person in respect of repurchase agreements or securities lending or borrowing agreements.

" GAAP " means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, consistently applied.

" GFI Group " means GFI Group, Inc., and its permitted successors and assigns.

" Governmental Authority " means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

" Guarantee " means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness of the payment or performance of such Indebtedness or (iii) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness of any other Person, whether or not such Indebtedness is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

" Guarantors " means, collectively, (a) each Domestic Subsidiary of the Borrower that is a Significant Subsidiary (other than a Regulated Subsidiary) whether identified as a "Guarantor" on the signature pages hereto or if such Subsidiary joins as a Guarantor pursuant to Section 6.12 or otherwise, (b) each other Person that may become a Guarantor hereunder and (c) the successors and permitted assigns of the foregoing.

" Guaranty " means the Guaranty made by the Guarantors in favor of the Administrative Agent and the other holders of the Obligations pursuant to Article X .

" Hazardous Materials " means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

" IB " has the meaning set forth in the definition of "Regulated Subsidiary."

" IFRS " means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements delivered under or referred to herein.

" Indebtedness " means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all Funded Indebtedness;

(b) obligations under any Swap Contract;

(c) all obligations to purchase, redeem, retire, defease or otherwise make any payment prior to the Maturity Date in respect of any Equity Interests or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends;

(d) all Guarantees of such Person in respect of any of the foregoing; and

(e) all Indebtedness of the types referred to in clauses (a) through (d) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or joint venture (but only to the extent such Person is liable therefor as a result of such interest), unless such Indebtedness is expressly made non-recourse to such Person.

" Indemnified Taxes " means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

" Indemnitee " has the meaning specified in Section 11.04(b) .

" Information " has the meaning specified in Section 11.07 .

“ Interest Payment Date ” means (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided , however , that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December and the Maturity Date.

“ Interest Period ” means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, two, three or six months thereafter, or upon the consent of all Lenders, such other period that is twelve months or less (in each case, subject to availability), as selected by the Borrower in its Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day; and

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period.

“ Internal Revenue Code ” means the Internal Revenue Code of 1986.

“ Investment ” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person, or (c) an Acquisition. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“ IP Rights ” has the meaning specified in Section 5.16 .

“ IRS ” means the United States Internal Revenue Service.

“ Joinder Agreement ” means a joinder agreement substantially in the form of Exhibit 6.12 executed and delivered by a Subsidiary in accordance with the provisions of Section 6.12 or any other documents as the Administrative Agent shall deem appropriate for such purpose.

“ Laws ” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of Law.

“ Lenders ” means each of the Persons identified as a “Lender” on the signature pages hereto, each other Person that becomes a “Lender” in accordance with this Agreement and their successors and assigns.

" Lending Office " means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent, which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such affiliate. Unless the context otherwise requires each references to a Lender shall include its applicable Lending Office.

" Lien " means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

" Loan " means an extension of credit by a Lender to the Borrower under Article II in the form of a Revolving Loan.

" Loan Documents " means this Agreement, each Note, each Joinder Agreement and the Fee Letter.

" Loan Notice " means a notice of (a) a Borrowing of Revolving Loans, (b) a conversion of Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, in each case pursuant to Section 2.02(a) , which shall be substantially in the form of Exhibit 2.02 or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent) appropriately completed and signed by a Responsible Officer of the Borrower.

" Loan Parties " means, collectively, the Borrower and each Guarantor.

" Master Agreement " has the meaning specified in the definition of "Swap Contract."

" Material Adverse Effect " means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, financial condition, assets or properties of the Borrower and its Subsidiaries taken as a whole; (b) a material impairment of the ability of the Borrower to perform its obligations under any Loan Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower of any Loan Document to which it is a party.

" Maturity Date " means February 25, 2018; provided , however , that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

" Moody ' s " means Moody's Investors Service, Inc. and any successor thereto.

" Multiemployer Plan " means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

" Multiple Employer Plan " means a single employer, as defined in Section 4001(a)(15) of ERISA, that is subject to Title IV of ERISA and that has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

" Net Excess Capital " means the aggregate regulatory net capital, as defined in the applicable Capital Requirements, in excess of the aggregate required net capital under the Capital Requirements, as shown on the Borrower's most recent annual audited financial statements or quarterly management prepared statements delivered pursuant to Section 6.01 , and, without duplication, as shown on the Borrower's SEC Forms 10-Q and 10-K.

" NFA " means the National Futures Association or any other regulatory body that succeeds to the functions of the National Futures Association.

" Non-Consenting Lender " means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01 and (b) has been approved by the Required Lenders.

" Non-Defaulting Lender " means, at any time, each Lender that is not a Defaulting Lender at such time.

" Note " has the meaning specified in Section 2.11 .

" Notice of Loan Prepayment " means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit 2.05 or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer.

" Obligations " means with respect to each Loan Party all advances to, and debts, liabilities, obligations, covenants and duties of, such Loan Party arising under any Loan Document or otherwise with respect to any Loan, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

" OFAC " means the Office of Foreign Assets Control of the United States Department of the Treasury.

" Organization Documents " means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction) and (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction).

" Other Connection Taxes " means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“ Other Taxes ” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

“ Outstanding Amount ” means with respect to any Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of any Loans occurring on such date.

“ Participant ” has the meaning specified in Section 11.06(d) .

“ Participant Register ” has the meaning specified in Section 11.06(d) .

“ PBGC ” means the Pension Benefit Guaranty Corporation.

“ Pension Act ” means the Pension Protection Act of 2006.

“ Pension Funding Rules ” means the rules of the Internal Revenue Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Internal Revenue Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Internal Revenue Code and Sections 302, 303, 304 and 305 of ERISA.

“ Pension Plan ” means any “employee pension benefit plan” (within the meaning of Section 3(2) of ERISA) (including a Multiple Employer Plan, but excluding a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Internal Revenue Code.

“ Permitted Acquisition ” means any Acquisition, provided that (a) no Default shall have occurred and be continuing or would result from such Acquisition, (b) if the Acquisition involves aggregate cash and non-cash consideration (including assumed Indebtedness, the good faith estimate by the Borrower of the maximum amount of any deferred purchase price obligations (including any earn out payments) and Equity Interests) in excess of the greater of $25,000,000 and 3.5% of Consolidated Net Worth (as of the date of such Acquisition), the Person or property acquired in such Acquisition is in an Eligible Line of Business, (c) in the case of an Acquisition of the Equity Interests of another Person, the board of directors (or other comparable governing body) of such other Person shall have duly approved such Acquisition, and (d) the Borrower shall be in compliance with the financial covenants set forth in Section 7.11 recomputed as of the end of the period of the four fiscal quarters most recently ended for which the Borrower has delivered financial statements pursuant to Section 6.01(a) or (b) after giving effect to such Acquisition on a Pro Forma Basis. It is understood and agreed that, if (x) the Acquisition of a Significant Subsidiary involves aggregate cash and non-cash consideration (including assumed Indebtedness, the good faith estimate by the Borrower of the maximum amount of any deferred purchase price obligations (including any earn out payments) and Equity Interests) in excess of the greater of $25,000,000 and 3.5% of Consolidated Net Worth (as of the date of such Acquisition) and (y) the Consolidated Leverage Ratio shall be greater than 2.50:1.00 after giving effect to such Acquisition of a Significant Subsidiary on a Pro Forma Basis, the Borrower shall have delivered to the Administrative Agent a Pro Forma Compliance Certificate.

" Permitted Holders " means Cantor Fitzgerald, L.P., Howard W. Lutnick, any Person controlled by him or any trust established for Mr. Lutnick's benefit or for the benefit of his spouse, any of his descendants or any of his relatives, in each case, so long as he is alive and, upon his death or incapacity, any person who shall, as a result of Mr. Lutnick's death or incapacity, become a "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act) of the Borrower's capital stock by operation of a trust, by will or the laws of descent and distribution or by operation of law.

" Permitted Liens " means, at any time, Liens in respect of property of any Loan Party or any Subsidiary permitted to exist at such time pursuant to the terms of Section 7.01 .

" Person " means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

" Plan " means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan, but other than a Multiemployer Plan), maintained for employees of the Borrower or any such Plan to which the Borrower is required to contribute on behalf of any of its employees.

" Platform " has the meaning specified in Section 6.02 .

" Pro Forma Basis " means, with respect to any Specified Transaction, that for purposes of calculating the financial covenants set forth in Section 7.11 , such Specified Transaction (including the incurrence of any Indebtedness therewith) shall be deemed to have occurred as of the first day of the most recent four fiscal quarter period preceding the date of such Specified Transaction for which financial statements were required to be delivered pursuant to Section 6.01(a) or 6.01(b) . In connection with the foregoing, (a) with respect to any Disposition, (i) income statement and cash flow statement items (whether positive or negative) attributable to the property disposed of shall be excluded to the extent relating to any period occurring prior to the date of such Specified Transaction and (ii) Indebtedness which is retired shall be excluded and deemed to have been retired as of the first day of the applicable period and (b) with respect to any Acquisition, (i) income statement and cash flow statement items attributable to the Person or property acquired shall be included to the extent relating to any period applicable in such calculations to the extent (A) such items are not otherwise included in such income statement and cash flow statement items for the Borrower and its Subsidiaries in accordance with GAAP or in accordance with any defined terms set forth in Section 1.01 and (B) such items are supported by financial statements (if available) and such other information deemed necessary by a Responsible Officer in order to make a good faith determination (consistent with Article 11 of Regulation S-X of the Securities Act of 1933, as amended, as interpreted by the staff of the Securities and Exchange Commission) of such pro forma calculation and (ii) any Indebtedness incurred or assumed by the Borrower or any Subsidiary (including the Person or property acquired) in connection with such Specified Transaction and any Indebtedness of the Person or property acquired which is not retired in connection with such Specified Transaction (A) shall be deemed to have been incurred as of the first day of the applicable period and (B) if such Indebtedness has a floating or formula rate, shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate which is or would be in effect with respect to such Indebtedness as at the relevant date of determination.

" Pro Forma Compliance Certificate " means a certificate of a Responsible Officer of the Borrower containing reasonably detailed calculations of the financial covenants set forth in Section 7.11 recomputed as of the end of the period of the four fiscal quarters most recently ended for which the Borrower has delivered financial statements pursuant to Section 6.01(a) or (b) after giving effect to the applicable transaction on a Pro Forma Basis.

" Public Lender " has the meaning specified in Section 6.02 .

" Recipient " means the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

" Register " has the meaning specified in Section 11.06(c) .

" Regulated Subsidiary " means any Subsidiary of the Borrower that is (i) registered as a broker dealer pursuant to Section 15 of the Securities Exchange Act of 1934 or that is regulated as a broker dealer or equivalent under any foreign securities law, (ii) that is registered as a Futures Commission Merchant ("FCM"), Introducing Broker ("IB"), Swap Exchange Facility ("SEF") or other "registered entity" within the meaning of Section 1a(40) of the Commodity Exchange Act (7 U.S.C. 1 et seq.), or the equivalent under any foreign securities or commodities Law, or (iii) registered as a swap execution facility with the SEC or the CFTC.

" Regulation S-X " means Regulation S-X set forth in 17 C.F.R. Part 210 of the Securities Act of 1933.

" Related Parties " means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

" Reportable Event " means any of the events set forth in Section 4043(c) of ERISA, other than events for which the applicable notice period has been waived.

" Request for Credit Extension " means with respect to a Borrowing, conversion or continuation of Loans, a Loan Notice.

" Required Lenders " means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

" Resignation Effective Date " has the meaning specified in Section 9.06 .

" Responsible Officer " means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer, general partner, executive vice president, chief operating officer, chief administrative officer or controller of a Loan Party, and, solely for purposes of the delivery of incumbency certificates, the secretary or any assistant secretary of a Loan Party and, solely for purposes of notices given pursuant to Article II , any other officer or employee of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party. To the extent requested by the Administrative Agent, each Responsible Officer will provide an incumbency certificate and appropriate authorization documentation, in form and substance reasonably satisfactory to the Administrative Agent.

" Restricted Payment " means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of any Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to such Person's stockholders, partners or members (or the equivalent Person thereof), or any option, warrant or other right to acquire any such dividend or other distribution or payment.

" Revolving Commitment " means, as to each Lender, its obligation to make Revolving Loans to the Borrower pursuant to Section 2.01 .

" Revolving Credit Exposure " means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans.

" Revolving Loan " has the meaning specified in Section 2.01(a) .

" S&P " means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw Hill Companies, Inc. and any successor thereto.

" Sale and Leaseback Transaction " means, with respect to any Person, any arrangement, directly or indirectly, whereby such Person shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

" Sanction(s) " means any sanction administered or enforced by the United States Government, including OFAC, the United Nations Security Council, the European Union, Her Majesty's Treasury (" HMT ") or other relevant sanctions authority.

" SEC " means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

" Securitization Transaction " means, with respect to any Person, any financing transaction or series of financing transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person may sell, convey or otherwise transfer, or grant a security interest in, accounts, payments, receivables, rights to future lease payments or residuals or similar rights to payment to a special purpose subsidiary or affiliate of such Person.

" SEF " has the meaning set forth in the definition of "Regulated Subsidiary."

" Significant Subsidiary " has the meaning given to such term in Regulation S-X .

" Solvent " or " Solvency " means, with respect to any Person as of a particular date, that on such date (a) such Person is able to pay its debts and other liabilities, contingent obligations and other commitments as they mature in the ordinary course of business, (b) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature in the ordinary course of business, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute unreasonably small capital, (d) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person and (e) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“ Specified Transaction ” means (a) any Acquisition of property or series of related acquisitions of property that (i) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the common stock of a Person and (ii) involves the payment of consideration by the Borrower and its Subsidiaries in excess of $25,000,000, (b) any Disposition of property or series of related Dispositions of property that (i) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the common stock of a Person and (ii) yields gross proceeds to the Borrower or any of its Subsidiaries in excess of $25,000,000 and (c) any other Acquisition or Disposition designated by the Borrower as a “Specified Transaction” as of any fiscal quarter-end; provided that if the Borrower designates any Acquisition or Disposition as a Specified Transaction as of such fiscal quarter-end, then it must designate all Acquisitions and Dispositions consummated during the twelve month period prior to such designation as Specified Transactions.

“ Subsidiary ” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which (a) a majority of the shares of Voting Stock is at the time beneficially owned by such Person and (b) is required to be consolidated into the financial statements of such Person in accordance with GAAP. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“ Swap Contract ” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “ Master Agreement ”), including any such obligations or liabilities under any Master Agreement.

“ Swap Termination Value ” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“ Synthetic Lease Obligation ” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

" Taxes " means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

" Threshold Amount " means $50,000,000.

" Total Credit Exposure " means, as to any Lender at any time, the unused Commitments of such Lender at such time and the outstanding Loans of such Lender at such time.

" Total Revolving Outstandings " means the aggregate Outstanding Amount of all Revolving Loans.

" Type " means, with respect to any Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

" United States " and "U.S." mean the United States of America.

" U.S. Person " means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

" U.S. Tax Compliance Certificate " has the meaning specified in Section 3.01(e)(ii)(B)(3) .

" Voting Stock " means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

" Write-Down and Conversion Powers " means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.02 Other Interpretive Provisions .

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words " include ," " includes " and " including " shall be deemed to be followed by the phrase "without limitation." The word " will " shall be construed to have the same meaning and effect as the word " shall ." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Loan Document or Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words " hereto ," " herein ," " hereof " and " hereunder ," and words of similar import when used in any Loan Document, shall be construed to refer to such

Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, Preliminary Statements of and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any Law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such Law and any reference to any Law or regulation shall, unless otherwise specified, refer to such Law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words " asset " and " property " shall be construed to have the same meaning and effect and to refer to any and all assets and properties, tangible and intangible, real and personal, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word " from " means " from and including ;" the words " to " and " until " each mean " to but excluding ;" and the word " through " means " to and including ."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms .

(a) Generally . All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) Changes in GAAP . If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that , until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Without limiting the foregoing, leases shall continue to be classified and accounted for on a basis consistent with that reflected in the Audited Financial Statements for all purposes of this Agreement, notwithstanding any change in GAAP relating thereto, unless the parties hereto shall enter into a mutually acceptable amendment addressing such changes, as provided for above.

(c) Calculations. Notwithstanding the above, the parties hereto acknowledge and agree that all calculations of the financial covenants in Section 7.11 shall be made on a Pro Forma Basis with respect to any Specified Transaction.

1.04 Rounding.

Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day; Rates.

Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable). The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Eurodollar Rate" or with respect to any comparable or successor rate thereto.

ARTICLE II

THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Revolving Loans.

(a) Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "Revolving Loan") to the Borrower in Dollars from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Revolving Commitment; provided, however, that after giving effect to any Borrowing of Revolving Loans, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, and (ii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment. Within the limits of each Lender's Revolving Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01, prepay under Section 2.05, and reborrow under this Section 2.01. Revolving Loans may be Base Rate Loans or Eurodollar Rate Loans, or a combination thereof, as further provided herein, provided, however, all Borrowings made on the Closing Date shall be made as Base Rate Loans, unless a funding indemnity letter in form and substance reasonably satisfactory to the Administrative Agent is received at least three Business Days prior to the Closing Date (along with the applicable Loan Notice).

(b) Increases of the Aggregate Revolving Commitments. The Borrower shall have the right, upon at least five Business Days' prior written notice to the Administrative Agent, to increase the Aggregate Revolving Commitments in one or more increases, at any time prior to the date that is sixty days prior to the Maturity Date, subject, however, in any such case, to satisfaction of the following conditions precedent:

(i) the Aggregate Revolving Commitments shall not exceed $200,000,000 without the consent of the Required Lenders;

(ii) no Default shall have occurred and be continuing on the date on which such increase is to become effective;

(iii) the representations and warranties set forth in Article V shall be true and correct in all material respects (or, if any such representation or warranty is qualified by materiality or Material Adverse Effect, it shall be true and correct in all respects as drafted) on and as of the date on which such increase is to become effective, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, if any such representation or warranty is qualified by materiality or Material Adverse Effect, it shall be true and correct in all respects as drafted) as of such earlier date;

(iv) such increase shall be in a minimum amount of $10,000,000 and in integral multiples of $5,000,000 in excess thereof;

(v) such requested increase shall only be effective upon receipt by the Administrative Agent of (A) additional Revolving Commitments in a corresponding amount of such requested increase from either existing Lenders and/or one or more other institutions that qualify as Eligible Assignees (it being understood and agreed that no existing Lender shall be required to provide an additional Revolving Commitment) and (B) documentation from each institution providing an additional Revolving Commitment evidencing its additional Revolving Commitment and its obligations under this Agreement in form and substance reasonably acceptable to the Administrative Agent;

(vi) the Administrative Agent shall have received all documents (including resolutions of the board of directors of the Borrower) it may reasonably request relating to the corporate or other necessary authority for such increase and the validity of such increase in the Aggregate Revolving Commitments, and any other matters relevant thereto, all in form and substance reasonably satisfactory to the Administrative Agent; and

(vii) if any Revolving Loans are outstanding at the time of the increase in the Aggregate Revolving Commitments, the Borrower shall, if applicable, prepay one or more existing Revolving Loans (such prepayment to be subject to Section 3.05) in an amount necessary such that after giving effect to the increase in the Aggregate Revolving Commitments, each Lender will hold its pro rata share (based on its Applicable Percentage of the increased Aggregate Revolving Commitments) of outstanding Revolving Loans.

2.02 Borrowings, Conversions and Continuations of Loans .

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone, or (B) a Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Loan Notice. Each such Loan Notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of, Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans.

Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof. Each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof. Each Loan Notice shall specify (i) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Eurodollar Rate Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of a Loan in a Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans described in the preceding subsection. In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of the Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders, and unless repaid, each outstanding Eurodollar Rate Loan shall be converted to a Base Rate Loan at the end of the Interest Period applicable thereto.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than ten Interest Periods in effect.

(f) Notwithstanding anything to the contrary in this Agreement, any Lender may exchange, continue or rollover all of the portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Borrower, the Administrative Agent and such Lender.

2.03 [Reserved] .

2.04 [Reserved] .

2.05 Prepayments .

The Borrower may, upon delivery of a Notice of Loan Prepayment from the Borrower to the Administrative Agent, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part without premium or penalty; provided that (A) such notice must be in a form acceptable to the Administrative Agent and be received by the Administrative Agent not later than 11:00 a.m. (1) three Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans; (B) any such prepayment of Eurodollar Rate Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); and (C) any prepayment of Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if Eurodollar Rate Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Aggregate Revolving Commitments as contemplated by Section 2.06 , then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.06 . Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05 . Subject to Section 2.15 , each such prepayment shall be applied to the Loans of the Lenders in accordance with their respective Applicable Percentages.

2.06 Termination or Reduction of Aggregate Revolving Commitments .

The Borrower may, upon notice to the Administrative Agent, terminate the Aggregate Revolving Commitments, or from time to time permanently reduce the Aggregate Revolving Commitments; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. three Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $5,000,000 or any whole multiple of $1,000,000 in excess thereof, and (iii) the Borrower shall not terminate or reduce the Aggregate Revolving Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Revolving Commitments. Any reduction of the Aggregate Revolving Commitments shall be applied to the Revolving Commitment of each Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Aggregate Revolving Commitments shall be paid on the effective date of such termination.

Notwithstanding the foregoing, a notice of termination of the Aggregate Revolving Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

2.07 **Repayment of Loans .**

(a) The Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of all Revolving Loans and all other Obligations outstanding on such date.

(b) In the event a Change of Control occurs, (i) the Borrower shall promptly thereafter repay to the Lenders the aggregate principal amount of all Revolving Loans and all other Obligations outstanding on such date and (ii) the Commitments of each Lender shall be terminated.

2.08 **Interest .**

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Rate and (ii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the sum of the Base Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due, whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the Borrower under any Loan Document is not paid when due, whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists (other than as set forth in clauses (b)(i) and (b)(ii) above), the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees .

(a) Commitment Fee . The Borrower shall pay to the Administrative Agent, for the account of each Lender in accordance with its Applicable Percentage, a commitment fee equal to the product of (i) the Applicable Rate times (ii) the actual daily amount by which the Aggregate Revolving Commitments exceed the Outstanding Amount of Revolving Loans, subject to adjustment as provided in Section 2.15 . The commitment fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The commitment fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees . The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified, including, without limitation, as set forth in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees .

All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a) , bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.11 Evidence of Debt .

The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note, which shall evidence such Lender's Loans in addition to such accounts or records. Each such promissory note shall be in the form of Exhibit 2.11 (a " Note "). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

2.12 Payments Generally; Administrative Agent ' s Clawback .

(a) General . All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent . Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent . Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent . If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II , and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several . The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c) .

(e) Funding Source . Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders .

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (A) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (B) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to the Borrower or any Subsidiary (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14 [Reserved] .

2.15 Defaulting Lenders .

(a) Adjustments . Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments . Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 11.01 .

(ii) Defaulting Lender Waterfall . Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first , to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second , as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; third , if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; fourth , to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fifth , so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and sixth , to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. No Defaulting Lender shall be entitled to receive any fee payable under Section 2.09(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that, subject to Section 11.19, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Internal Revenue Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Internal Revenue Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Internal Revenue Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties . Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Laws, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications . (i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within ten days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. Each of the Loan Parties shall, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within ten days after demand therefor, for any amount which a Lender for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (y) the Administrative Agent and the Loan Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Parties, as applicable, against any Excluded Taxes attributable to such Lender that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii) .

(d) Evidence of Payments . As soon as practicable, after any payment of Taxes by any Loan Party to a Governmental Authority as provided in this Section 3.01 , such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Status of Lenders; Tax Documentation .

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(e)(ii)(A) , 3.01(e)(ii)(B) and 3.01(e)(ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BENE (or W-8BEN, as applicable) establishing an

exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BENE (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit 3.01-A to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a " U.S. Tax Compliance Certificate ") and (y) executed copies of IRS Form W-8BENE (or W-8BEN, as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BENE (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit 3.01-B or Exhibit 3.01-C , IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit 3.01-D on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section

1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Closing Date.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds . Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01 , it shall pay to the Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival . Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Aggregate Revolving Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality .

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to perform any of its obligations hereunder or make, maintain or fund or charge interest with respect to any Credit Extensions or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to issue, make, maintain, fund or charge interest with respect to any such Credit Extension or continue Eurodollar Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender, shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates .

(a) If in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof, (i) the Administrative Agent determines that (A) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, or (B) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan (in each case with respect to clause (i), " Impacted Loans "), or (ii) the Administrative Agent or the Required Lenders determine that for any reason the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Eurodollar Rate Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended (to the extent of the affected Eurodollar Rate Loans or Interest Periods), and (y) in the event of a determination described in the preceding sentence with respect to the Eurodollar Rate component of the Base Rate, the utilization of the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans (to the extent of the affected Eurodollar Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

(b) Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (a)(i) of this Section, the Administrative Agent, in consultation with the Borrower and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (a)(i) of this Section, (2) the Administrative Agent or the Required Lenders notify the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower written notice thereof.

3.04 Increased Costs; Reserves on Eurodollar Rate Loans .

(a) Increased Costs Generally . If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.04(d);

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, or to reduce the amount of any sum received or receivable by such Lender (whether of principal, interest or any other amount) then, upon request of such Lender, the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements . If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement . A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten days after receipt thereof.

(d) Reserves on Eurodollar Rate Loans . The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurodollar Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided the Borrower shall have received at least ten (10) days' prior notice (with a copy to the Administrative Agent) of such additional interest or costs from such Lender. If a Lender fails to give notice ten (10) days prior to the relevant Interest Payment Date, such additional interest shall be due and payable ten (10) days from receipt of such notice.

(e) Delay in Requests . Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses .

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Eurodollar Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Eurodollar Rate Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13 ;

including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained (but excluding any loss of anticipated profits). The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05 , each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Rate used in determining the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders .

(a) Designation of a Different Lending Office . Each Lender may make any Credit Extension to the Borrower through any Lending Office, provided that the exercise of this option shall not affect the obligation of the Borrower to repay the Credit Extension in accordance with the terms of this Agreement. If any Lender requests compensation under Section 3.04 , or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 , or if any Lender gives a notice pursuant to Section 3.02 , then at the request of the Borrower such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04 , as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02 , as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders . If any Lender requests compensation under Section 3.04 , or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a) , the Borrower may replace such Lender in accordance with Section 11.13 .

3.07 Survival .

All of the Loan Parties' obligations under this Article III shall survive termination of the Aggregate Revolving Commitments, repayment of all other Obligations hereunder, and resignation of the Administrative Agent.

ARTICLE IV

CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Credit Extension .

This Agreement shall become effective upon, and the obligation of each Lender to make its initial Credit Extension hereunder is subject to, the satisfaction of the following conditions precedent:

(a) Documentation . Receipt by the Administrative Agent of the following, each in form and substance satisfactory to the Administrative Agent and each Lender:

(i) Loan Documents. Executed counterparts of this Agreement and the other Loan Documents, each properly executed by a Responsible Officer of the signing Loan Party and, in the case of this Agreement, by each Lender.

(ii) Opinions of Counsel. Favorable opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, dated as of the Closing Date.

(iii) Organization Documents, Resolutions, Etc.

(A) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Loan Party to be true and correct as of the Closing Date;

(B) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; and

(C) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its state of organization or formation

(iv) Audited Financial Statements. The Audited Financial Statements.

(v) Closing Certificate. A certificate signed by a Responsible Officer of the Borrower certifying that (A) the conditions specified in Sections 4.01(b) and (c) and 4.02(a) and 4.02(b) have been satisfied and (B) that there has been no event or circumstance since the date of the Audited Financial Statements that has had or would be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect.

(b) Litigation. Other than as disclosed in the Audited Financial Statements, or GFI Group's or BGC's 10-K for the fiscal year ending December 31, 2014 or as set forth on Schedule 5.06, there shall not exist any action, suit, investigation or proceeding pending or, to the knowledge of the Borrower, threatened in any court or before an arbitrator or Governmental Authority that could reasonably be expected to have a Material Adverse Effect.

(c) Consents. All governmental, shareholder and third party consents and approvals necessary in connection with the transactions contemplated hereby shall have been obtained and all such consents and approvals shall be in force and effect.

(d) Existing Credit Agreement. Receipt by the Administrative Agent of evidence that all obligations under the existing Credit Agreement, dated as of December 24, 2015, among the Borrower, the Administrative Agent and the other lenders party thereto have been paid in full and all commitments thereunder terminated.

(e) Fees . Receipt by the Administrative Agent, the Arrangers and the Lenders of any fees required to be paid on or before the Closing Date, including, but not limited to, the fees set forth in the Fee Letter.

(f) Attorney Costs . The Borrower shall have paid all reasonable fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

Without limiting the generality of the provisions of the last paragraph of Section 9.03 , for purposes of determining compliance with the conditions specified in this Section 4.01 , each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions .

The obligation of each Lender to honor any Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurodollar Rate Loans) is subject to the following conditions precedent:

(a) The representations and warranties of each Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (other than those representations and warranties qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (other than those representations and warranties qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the immediate application of the proceeds thereof (if applicable) and the Borrower shall be in compliance with Section 7.11 as of the end of the most recently fiscal quarter for which financial statements have been delivered pursuant to Section 6.01 after giving effect to the proviso in the definition of Consolidated EBITDA.

(c) The Administrative Agent shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurodollar Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders that:

5.01 Existence, Qualification and Power .

(a) Each Loan Party and each Significant Subsidiary (i) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (ii) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (A) own or lease its assets and carry on its business and (B) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (iii) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (ii)(A) or (iii), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) Each Subsidiary of the Borrower (other than a Significant Subsidiary) (i) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (ii) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to own or lease its assets and carry on its business and (iii) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except, in each case, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention .

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate or other organizational action, and do not (a) contravene the terms of any of such Person’s Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law.

5.03 Governmental Authorization; Other Consents .

No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document other than those that have already been obtained and are in full force and effect.

5.04 Binding Effect .

Each Loan Document has been duly executed and delivered by each Loan Party that is party thereto. Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

5.05 Financial Statements; No Material Adverse Effect .

(a) The financial statements delivered pursuant to Sections 6.01(a) and 6.01(b) (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein (subject, in the case of unaudited financial statements, to the absence of footnotes and to normal year-end audit adjustments); and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(b) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby (subject, in the case of unaudited financial statements, to the absence of footnotes and to normal year-end audit adjustments); and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(c) Since December 31, 2014, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

5.06 Litigation .

Other than as disclosed in the Audited Financial Statements or GFI Group's or the Borrower's 10-K for the fiscal year ending December 31, 2014 or as set forth on Schedule 5.06, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or (b) could reasonably be expected to have a Material Adverse Effect.

5.07 No Default .

No Default has occurred and is continuing.

5.08 **Ownership of Property .**

Each Loan Party and each of its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.09 **Taxes .**

Each Loan Party and its Subsidiaries have filed all federal, state and other material tax returns and reports required to be filed, and have paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except (a) those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect. Other than as set forth on Schedule 5.09 , no Loan Party is party to any tax sharing agreement with anyone.

5.10 **ERISA Compliance .**

(a) Except as would not reasonably be expected to have a Material Adverse Effect: (i) each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state Laws; (ii) each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Internal Revenue Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code, or an application for such a letter is currently being processed by the IRS; and (iii) to the best knowledge of the Borrower, nothing has occurred that would reasonably be expected to prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the knowledge of any Loan Party, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that would reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or would reasonably be expected to result in a Material Adverse Effect.

(c) Except as would not reasonably be expected to have a Material Adverse Effect: (i) No ERISA Event has occurred, and no Loan Party is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Internal Revenue Code) is 60% or higher and neither a Loan Party nor any ERISA Affiliate knows of any facts or circumstances that would reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iv) no Loan Party has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither a Loan Party nor any ERISA Affiliate has engaged in a transaction that would reasonably be expected to be subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that would reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

5.11 Subsidiaries .

Set forth on Schedule 5.11 is a complete and accurate list of (a) each Significant Subsidiary of the Borrower other than Regulated Subsidiaries and (b) the jurisdiction of organization, exact legal name and U.S. tax payer identification number of the Borrower and each other Loan Party, in each case as of the Closing Date and as of the date of any update to Schedule 5.11 pursuant to Section 6.02(b) .

5.12 Margin Regulations; Investment Company Act .

(a) Margin stock (as defined in Regulation U of the Board of Governors of the FRB) constitutes less than 25% of the value of those assets of the Borrower and its Subsidiaries (other than any Subsidiary which is an “exempted borrower” within the meaning of Regulation U of the FRB) which are subject to any limitation on sale, pledge, or other restriction hereunder. Neither the making of any Loan nor the use of the proceeds thereof will violate or be inconsistent with the provisions of Regulation T, Regulation U or Regulation X of the Board of Governors of the FRB.

(b) None of the Borrower, any Person Controlling the Borrower, or any Significant Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

(c) Each domestic Regulated Subsidiary which is a broker dealer subject to the provisions of Regulation T of the FRB and extends purpose credit to customers (as those terms are defined in Regulation T) maintains procedures and internal controls reasonably designed to ensure that such Regulated Subsidiary does not extend or maintain purpose credit to or for its customers other than in accordance with the provisions of Regulation T, and members of each such domestic Regulated Subsidiary regularly supervise its activities and the activities of members and employees of such Regulated Subsidiary to ensure that such Regulated Subsidiary does not extend purpose credit to or for its customers other than in accordance with the provisions of Regulation T.

(d) Each Regulated Subsidiary (i) is a member in good standing of the FINRA, the NFA and/or the equivalent foreign self-regulatory body, (ii) (A) if a Domestic Subsidiary, (x) is duly registered as a broker-dealer with the SEC and/or duly registered as an FCM, IB or SEF with the CFTC, and (y) except where the failure to so register would not reasonably be expected to result in a Material Adverse Effect, is duly registered in each state where the conduct of its business requires such registration and (B) if a Foreign Subsidiary, is duly registered as with the appropriate foreign regulatory body, in each case where the conduct of its business requires such registration, except where the failure to so register would not reasonably be expected to result in a Material Adverse Effect.

5.13 Disclosure .

Neither any Loan Document nor any other agreement, document, instrument, certificate or statement (other than (i) any other projections, estimates, or other forward-looking information and (ii) any forward-looking pro forma financial information) furnished to the Administrative Agent and the Lenders by or on behalf of a Loan Party in connection with the transactions contemplated hereby, at the time it was furnished contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements contained herein or therein, under the circumstances under which they were made, not misleading (considered in the context of all other information provided to the Lenders). Any projections, estimates, forward-looking information or any forward-looking pro forma financial information furnished to the Administrative Agent (whether in writing or orally) pursuant to this Agreement are based on good faith estimates and assumptions believed by management of Borrower or the applicable Loan Party to be reasonable at the time made, it being understood by the Administrative Agent and the Lenders that, without limiting the foregoing representation, (i) any information as it relates to future events is not to be viewed as fact, and (ii) actual results during the period or periods covered by such information are subject to significant uncertainties and contingencies and may differ materially from the projected results set forth therein.

5.14 Compliance with Laws .

Each Loan Party and each Subsidiary is in compliance with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

5.15 Intellectual Property; Licenses, Etc .

Each Loan Party and each Subsidiary owns, possesses or can acquire on reasonable terms the right to use, all of the trademarks, service marks, trade names, copyrights, patents and other intellectual property rights that are reasonably necessary for the operation of its businesses, without conflict with the rights of any other Person to the knowledge of such Loan Party or Subsidiary, except for any such failure to own or possess or conflict that could not reasonably be expected to have a Material Adverse Effect.

5.16 Solvency .

The Borrower is Solvent and the Borrower and its Subsidiaries are Solvent on a consolidated basis.

5.17 OFAC .

None of the Loan Parties, nor any of their Subsidiaries, nor, to the knowledge of the Loan Parties and their Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

5.18 Anti-Corruption Laws .

The Loan Parties and their Subsidiaries have conducted their businesses in material compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

5.19 EEA Financial Institution .

Neither the Borrower, nor any of its Subsidiaries is an EEA Financial Institution.

ARTICLE VI

AFFIRMATIVE COVENANTS

Until the Facility Termination Date, the Borrower shall:

6.01 Financial Statements .

Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent:

(a) as soon as available, but in any event within one hundred and twenty days after the end of each fiscal year of the Borrower, commencing with the fiscal year ending December 31, 2015, (i) a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year, together with the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, and in connection with the financial statements in clause (i) above, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit and (ii) such other financial information regarding the Borrower and its Subsidiaries as reasonably requested by the Administrative Agent in order to determine compliance with Section 7.11 ; and

(b) as soon as available, but in any event within sixty days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower, commencing with the fiscal quarter ending March 31, 2016, (i) a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal quarter, together with the related consolidated statements of income or operations for such fiscal quarter and for the portion of the Borrower's fiscal year then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the portion of the Borrower's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by the chief executive officer, chief financial officer, treasurer or controller of the Borrower as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes and (ii) such other financial information regarding the Borrower and its Subsidiaries as reasonably requested by the Administrative Agent in order to determine compliance with Section 7.11 .

As to any information contained in materials furnished pursuant to Section 6.02(c) , the Borrower shall not be separately required to furnish such information under Section 6.01(a) or 6.01(b) , but the foregoing shall not be in derogation of the obligation of the Borrower to furnish the information and materials described in Section 6.01(a) or 6.01(b) at the times specified therein.

6.02 Certificates; Other Information .

Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) concurrently with the delivery of the financial statements referred to in Section 6.01(a) , a certificate of its independent certified public accountants certifying such financial statements;

(b) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and 6.01(b) , a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of the Borrower (which delivery may, unless the Administrative Agent, or a Lender requests executed originals, be by electronic communication including fax or email and shall be deemed to be an original authentic counterpart thereof for all purposes) which shall, among other things, (i) demonstrate compliance with the covenants set forth in Section 7.11 and (ii) update Schedule 5.11 , as applicable;

(c) promptly after the same are available, copies of each annual report, each material proxy or material financial statement or other material report or communication sent to the public equityholders of any Loan Party or any Subsidiary, and copies of all material annual, regular, periodic and special reports and material registration statements which a Loan Party or any Subsidiary may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) promptly after any request by the Administrative Agent, copies of any material detailed audit reports or management letters submitted to the board of directors (or the audit committee of the board of directors) of the Borrower by independent accountants in connection with the accounts or books of the Borrower or any Subsidiary;

(e) [Reserved];

(f) promptly, and in any event within five Business Days after receipt thereof by the any Loan Party or any Subsidiary, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other material inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary; and

(g) promptly, such additional information regarding the business, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a) or 6.01(b) or Section 6.02(c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 11.02 ; or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website (including www.sec.gov/edgar.shtml), if any, to which each Lender and the Administrative Agent have access (whether a commercial, third party website or whether sponsored by the Administrative Agent); provided that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Borrower shall notify the Administrative Agent and each Lender (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e. , soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers may, but shall not be obligated to, make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, " Borrower Materials ") by posting the Borrower Materials on IntraLinks, Syndtrak, ClearPar or a substantially similar electronic transmission system (the " Platform ") and (b) certain of the Lenders (each a " Public Lender ") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States federal and state securities Laws (provided , however , that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated as "Public Side Information." Notwithstanding the foregoing, the Borrower shall be under no obligation to mark any Borrower Materials "PUBLIC."

6.03 Notices .

Promptly notify the Administrative Agent and each Lender of:

(a) the occurrence of any Default.

(b) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including (i) breach or non-performance of, or any default under, a Contractual Obligation of a Loan Party or any Subsidiary; (ii) any dispute, litigation, investigation, proceeding or suspension between a Loan Party or any Subsidiary and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting a Loan Party or any Subsidiary, including pursuant to any applicable Environmental Laws.

(c) the occurrence of any ERISA Event that has had or that would reasonably be expected to result in a Material Adverse Effect.

(d) any material change in accounting policies or financial reporting practices by a Loan Party or any Subsidiary.

(e) any announcement by S&P or Fitch of any change in a Debt Rating of the Borrower.

Each notice pursuant to this Section 6.03 (other than clause (e)) shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached (if any).

6.04 Payment of Taxes .

Cause itself and each of its Subsidiaries to pay and discharge within thirty (30) days of the date the same shall become due and payable, all its tax liabilities, assessments and governmental charges or levies upon it or its properties, unless (a) the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrower or the applicable Subsidiary in connection therewith or (b) the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

6.05 Preservation of Existence, Etc .

Cause itself and each of its Subsidiaries to (a) except as permitted pursuant to Section 7.04, preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization; (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, in each case, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

6.06 Maintenance of Properties .

Cause itself and each of its Subsidiaries to (a) maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear and casualty and condemnation excepted; and (b) make all necessary repairs thereto and renewals and replacements thereof, except, in the case of each of clauses (a) and (b) hereof, where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.07 Maintenance of Insurance .

Cause itself and each of its Subsidiaries to maintain with financially sound and reputable insurance companies not Affiliates of the Borrower, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons, except in instances where the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.08 Compliance with Laws .

(a) Cause itself and each of its Subsidiaries to comply in all material respects with the requirements of all Laws, including, without limitation, Environmental Laws, and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

(b) Cause each Broker-Dealer Subsidiary to comply with all material rules and regulations of the SEC, the FINRA and any equivalent foreign self-regulatory body, in each case, applicable to it (including such rules and regulations dealing with net capital requirements), except where the failure to so comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.09 Books and Records .

Cause itself and each of its Subsidiaries to (a) maintain proper books of record and account in conformity with GAAP; and (b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Loan Party or such Subsidiary, as the case may be.

6.10 Inspection Rights .

Permit representatives and independent contractors of the Administrative Agent to visit and inspect any of its and its Subsidiaries' properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all, subject to the proviso below, at the sole expense of the Administrative Agent and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower; provided , however , that when an Event of Default exists the Administrative Agent (or any of its representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice. It is understood and agreed that the Administrative Agent shall, at the request of any Lender, share with such Lender information resulting from any inspection under this Section 6.10 .

6.11 Use of Proceeds .

Cause itself and each of its Subsidiaries to use the proceeds of the Credit Extensions to finance working capital and other lawful corporate purposes; provided that in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Loan Document.

6.12 Guarantors .

Concurrently with the delivery of any Compliance Certificate pursuant to Section 6.02 , each Domestic Subsidiary of the Borrower that is a Significant Subsidiary (other than a Regulated Subsidiary), whether or not existing on the Closing Date, that was not a Guarantor as of the date of such Compliance Certificate shall (a) become a Guarantor by executing and delivering to the Administrative Agent, a Joinder Agreement or such other documents as the Administrative Agent shall deem appropriate for such purpose and (b) deliver to the Administrative Agent (i) documents consistent with those delivered pursuant to Section 4.01(a)(iii) and (ii) if requested by the Administrative Agent, opinions of counsel to such Person substantially consistent with those delivered pursuant to Section 4.01(a)(ii) , all in form reasonably satisfactory to the Administrative Agent.

6.13 Anti-Corruption Laws .

Cause itself and each of its Subsidiaries to conduct its businesses in material compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions and maintain policies and procedures designed to promote and achieve compliance with such laws.

6.14 Post-Closing Obligation .

Within ten (10) Business Days after the Closing Date, cause Ross Real Estate, Ltd. to (a) become a Guarantor by executing and delivering to the Administrative Agent, a Joinder Agreement or such other documents as the Administrative Agent shall deem appropriate for such purpose and (b) deliver to the Administrative Agent (i) documents consistent with those delivered pursuant to Section 4.01(a)(iii) and (ii) opinions of counsel to Ross Real Estate, Ltd. substantially consistent with those delivered pursuant to Section 4.01(a)(ii) , all in form reasonably satisfactory to the Administrative Agent.

ARTICLE VII

NEGATIVE COVENANTS

Until the Facility Termination Date, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

7.01 Liens .

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Liens existing on the Closing Date and listed on Schedule 7.01 and any renewals, extensions or replacements thereof; provided that the property covered thereby is not increased, and with respect to any replacement Lien, the amount of any Indebtedness secured by such Lien shall not be increased;

(b) Liens (other than Liens imposed under ERISA) for taxes, assessments or governmental charges or levies not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(c) Liens of carriers, warehousemen, mechanics, materialmen, workmen and repairmen or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested in good faith and by appropriate proceedings diligently conducted;

(d) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance, old age benefits, other social security obligations, taxes, assessments, statutory obligations and other similar charges, other than any Lien imposed by ERISA;

(e) (i) deposits to secure the performance of bids, tenders, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance and return of money bonds, agreements with utilities and other obligations of a like nature incurred in the ordinary course of business (including in each case deposits and/or Liens securing letters of credit issued in lieu of any such cash deposits), and (ii) other cash deposits required to be made in the ordinary course of business, including those made to secure health, safety and environmental obligations in the ordinary course of business;

(f) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(g) Liens securing judgments for the payment of money (or appeal or other surety bonds relating to such judgments), which judgments do not constitute an Event of Default under Section 8.01(h) , and the pledge of assets for the purpose of securing an appeal, stay or discharge in the course of any such legal proceeding;

(h) Liens securing Indebtedness permitted under Section 7.03(c) ; provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) with respect to Indebtedness permitted by Section 7.03(c)(i) such Liens attach to such property concurrently with or within ninety days after the acquisition thereof;

(i) leases or subleases granted to others not interfering in any material respect with the business of any Loan Party or any Subsidiary;

(j) any interest of title of a lessor under, and Liens arising from UCC financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions) relating to, leases permitted by this Agreement;

(k) normal and customary rights of setoff and other Liens upon deposits of cash and securities in favor of banks, brokers or other financial institutions;

(l) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(n) any Lien existing on property (and the proceeds thereof) existing at the time of its acquisition and any modification, replacement, renewal or extension thereof; provided that such Lien was not created in contemplation of such acquisition;

(o) Liens incurred or assumed in the ordinary course to secure Indebtedness permitted under Sections 7.03(e) ;

(p) pledges of securities or commodity positions and exchange memberships in the ordinary course of business;

(q) deposits or securities with commodity or securities exchanges or clearing organizations, or with other exchanges or markets, in each case in the ordinary course of business;

(r) Liens in favor of customers of Broker-Dealer Subsidiaries arising in the ordinary course of business and Liens securing indebtedness of Broker-Dealer Subsidiaries in respect of customer funds in the ordinary course of business;

(s) Liens securing Indebtedness permitted under Section 7.03(i); and

(t) other Liens securing Indebtedness or other obligations in an aggregate principal amount not to exceed at any one time, the difference of $35,000,000 less any Indebtedness incurred pursuant to Section 7.03(j) .

7.02 Investments .

Make any Investments, except:

(a) Investments existing on the Closing Date set forth on Schedule 7.02 ;

(b) Investments in Cash Equivalents;

(c) Investments made by Regulated Subsidiaries in the ordinary course of business;

(d) Investments in marketable securities, loans, commodities, forwards, futures, derivatives and other assets in connection with trading, underwriting, selling to customers, acting as a broker or acting as a market intermediary, all in the ordinary course of business;

(e) loans or advances to employees as part of compensation programs, and which are by their nature forgivable by the Borrower or relevant Subsidiary or purchases or redemption of equity interests from employees, former employees or consultants;

(f) travel advances and other similar cash advances made to employees in the ordinary course of business;

(g) Investments in Persons that are engaged in an Eligible Line of Business;

(h) Investments in (or Acquisitions of) Subsidiaries and other Persons that are not wholly-owned or are not engaged in an Eligible Line of Business in an amount not to exceed, in the aggregate, at any one time outstanding (net of the proceeds received from the sale of such Investments) the greater of $25,000,000 and 3.5% of Consolidated Net Worth;

(i) Cash AD Loans; and

(j) Permitted Acquisitions.

7.03 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness of any Subsidiary (other than any Subsidiary that is a Guarantor), except:

(a) Indebtedness outstanding on the Closing Date set forth on Schedule 7.03 (and, with respect to any such Indebtedness, renewals, refinancings and extensions thereof); provided that (i) the amount of such Indebtedness is not increased at the time of such refinancing, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and (ii) the terms relating to principal amount, amortization, maturity, collateral (if any) and subordination (if any), and other material terms taken as a whole, of any such refinancing, renewal or extension are no less favorable in any material respect to the Borrower and its Subsidiaries or the Lenders than the terms of the Indebtedness being refinanced, renewed or extended;

(b) obligations (contingent or otherwise) existing or arising under any Swap Contract, provided that such obligations are (or were) entered into by such Person for hedging purposes in the ordinary course of business, and not for purposes of speculation or taking a “market view”;

(c) (i) purchase money Indebtedness (including obligations in respect of capital leases and Synthetic Lease Obligations) hereafter incurred to finance the purchase of assets and renewals, refinancings and extensions thereof and (ii) Indebtedness hereafter incurred (including obligations in respect of capital leases and Synthetic Lease Obligations) that is secured by fixed assets and all renewals, refinancings and extensions thereof; provided that the aggregate outstanding principal amount of all such Indebtedness incurred pursuant to this clause (ii) shall not exceed $25,000,000 at any one time outstanding;

(d) so long as the Borrower is in compliance with the financial covenants set forth in Section 7.11 on a pro forma basis after giving effect thereto, Indebtedness (i) of any Person that is merged or consolidated with and into any Subsidiary, (ii) of any Person that becomes a Subsidiary as a result of an Acquisition to the extent, in each case, that such Indebtedness was not incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or (iii) consisting of customary performance based earn-out payments incurred in connection with an Acquisition;

(e) Indebtedness, including securities lending transactions, at Regulated Subsidiaries and other stock lending transactions, repurchase agreements and other collateralized financing transactions at Subsidiaries, in each case (i) secured by marketable securities, commodities or other financial products and (ii) incurred in the ordinary course of business;

(f) endorsement of items for deposit or collection of commercial paper received in the ordinary course of business;

(g) intercompany Indebtedness permitted under Section 7.02 ;

(h) obligations to purchase or redeem Equity Interests held by current or former officers, directors, employees, consultants and their respective estates, spouses or former spouses in the ordinary course of business;

(i) Indebtedness, including Indebtedness incurred in connection with stock lending transactions, secured solely by shares of Intercontinental Exchange Inc. or NASDAQ held by the Borrower or its Subsidiaries at any time; provided that such Indebtedness shall be at customary advance rates and shall not exceed an aggregate principal amount equal to the underlying value of the shares securing such Indebtedness (the value of such shares to be determined as of the date such Indebtedness is incurred); and

(j) other unsecured Indebtedness in an aggregate principal amount not to exceed the difference of $35,000,000 less, without duplication, any Liens incurred pursuant to Section 7.01(t) .

7.04 Fundamental Changes.

Merge, dissolve, liquidate or consolidate with or into another Person, except that (a) the Borrower may merge or consolidate with any of its Subsidiaries; provided that the Borrower shall be the continuing or surviving Person, (b) any Subsidiary may be merged or consolidated with or into any other Subsidiary; provided that if such merger or consolidation is with respect to a Subsidiary that is a Loan Party, then either such Loan Party shall be the continuing or surviving Person or such surviving Person shall become a Loan Party promptly after such merger or consolidation, (c) the Borrower or any of its Subsidiaries may merge or consolidate with any other Person; provided that (i) if the Borrower is a party to such transaction, the Borrower is the continuing or surviving Person and (ii) if such Subsidiary is a Loan Party, then either such Loan Party shall be the continuing or surviving Person or such surviving Person shall become a Loan Party promptly after such merger or consolidation and (d) any Subsidiary (other than a Loan Party) may dissolve, liquidate or wind up its affairs at any time provided that such dissolution, liquidation or winding up, as applicable, could not reasonably be expected to have a Material Adverse Effect.

7.05 Dispositions.

Make any Disposition except:

(a) Dispositions consisting of sales of marketable securities, loans, commodities, forwards, futures, derivatives and other assets in connection with trading, market making activities, loan origination and securitization, structured products and other financial services activities, in each case in the ordinary course of business;

(b) Dispositions consisting of the assets or business of the Trayport or Fenics divisions (electronic trading and analytics);

(c) Dispositions by any Subsidiary to the Borrower or any other Loan Party;

(d) Dispositions of shares of Intercontinental Exchange Inc. and NASDAQ held by the Borrower or its Subsidiaries at any time; and

(e) other Dispositions, so long as the aggregate net book value of all of the assets sold or otherwise disposed of by the Loan Parties and their Subsidiaries in all such transactions shall not exceed, (i) during the period from the Closing Date until the date the 2015 annual financial statements are delivered pursuant to Section 6.01(a), 10% of Consolidated EBITDA calculated based on the most recent annual financial statements delivered pursuant to Section 4.01(a)(iv) and (ii) thereafter, during each period commencing on the day following the date of delivery of annual financial statements pursuant to Section 6.01(a) and ending on the next date of delivery of annual financial statements pursuant to Section 6.01(a) in the following year, 30% of Consolidated EBITDA calculated based on the most recent annual financial statements delivered pursuant to Section 6.01(a) .

7.06 Restricted Payments.

Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that:

(a) each Subsidiary may declare and make Restricted Payments to the Borrower or otherwise in accordance with its Organizational Documents;

(b) the Borrower and each Subsidiary may declare and make dividend payments or other distributions payable solely in the Equity Interests of such Person; and

(c) the Borrower and each of its Subsidiaries may declare and make Restricted Payments if, immediately before and after giving effect thereto, (i) no Event of Default shall have occurred and be continuing and (ii) the Borrower is in compliance with the financial covenants set forth in Section 7.11 on a pro forma basis after giving effect thereto.

7.07 Change in Nature of Business.

Engage in any business or activity that is not an Eligible Line of Business; provided that the foregoing shall not apply to Investments permitted pursuant to Section 7.02(h) .

7.08 Transactions with Affiliates.

Enter into or permit to exist any transaction or series of transactions with any Affiliate of such Person, that is less favorable than could be obtained in a similar transaction with a non-affiliate, other than (1) any transaction approved by the Borrower’s audit committee, (2) any transaction with an Affiliate that is consolidated with the Borrower under GAAP, (3) management fees, employee benefit arrangements or indemnification programs pertaining to limited or general partners of the Borrower or any of its Subsidiaries entered into in the ordinary course of business or approved by the Borrower’s board of directors, (4) transactions existing on the Closing Date and set forth on Schedule 7.08 and (5) any transaction that does not, individually, exceed $500,000.

7.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation that with respect to any Subsidiary, encumbers or restricts the ability of any such Person to (i) make Restricted Payments to any Loan Party, (ii) pay any Indebtedness or other obligation owed to any Loan Party, (iii) make loans or advances to any Loan Party, (iv) transfer any of its property to the any Loan Party, (v) pledge its property pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof or (vi) act as a Loan Party pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof if otherwise required to be a Loan Party hereunder, except (in respect of any of the matters referred to in clauses (i) through (v) above) for (1) this Agreement and the other Loan Documents, (2) any document or instrument governing Indebtedness incurred pursuant to Section 7.03(e) , provided that any such restriction contained therein relates only to the asset or assets constructed or acquired in connection therewith, (3) any Permitted Lien or any document or instrument governing any Permitted Lien; provided that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien, (4) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 7.05 pending the consummation of such sale, (5) customary provisions in joint venture agreements and other similar agreements, (6) customary provisions restricting assignment contained in leases, subleases, licenses and other agreements and (7) any agreement or other instrument of a Person acquired by a Loan Party or any Subsidiary which was in existence at the time of such Acquisition (but not created in contemplation thereof or to provide all or any portion of the funds or credit support utilized to consummate such Acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired.

7.10 Use of Proceeds.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, except, in the case of any Regulated Subsidiary, in compliance with Regulation U, T and X of the FRB.

7.11 Financial Covenants.

Permit:

(a) Consolidated Leverage Ratio. The Consolidated Leverage Ratio, as of the end of any fiscal quarter of the Borrower, to be greater than 3.00:1.00.

(b) Consolidated Interest Coverage Ratio. The Consolidated Interest Coverage Ratio, as of the end of any fiscal quarter of the Borrower, to be less than 4.00:1.00.

(c) Consolidated Net Worth. Consolidated Net Worth at any time to be less than $777,390,000.

(d) Net Excess Capital. Net Excess Capital with respect to all Broker-Dealer Subsidiaries at any time to be less than $174,450,000.

7.12 Fiscal Year.

Permit the Borrower to change its fiscal year from its present ending on December 31 of each year or permit any Subsidiary to change its fiscal year except as necessary to align its fiscal year with the Borrower.

7.13 Sanctions.

Use any Credit Extension or the proceeds of any Credit Extension, or lend, contribute or otherwise make available such Credit Extension or the proceeds of any Credit Extension to any Person, to fund any activities of or business with any Person, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as Lender, an Arranger, Administrative Agent or otherwise) of Sanctions.

7.14 Anti-Corruption Laws.

Use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 or other similar anti-corruption legislation in other jurisdictions.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default.

Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan, or (ii) within three days after the same becomes due, any interest on any Loan, or any fee due hereunder, or (iii) within five days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in (i) Section 6.01 or 6.02 and such failure continues for five Business Days or (ii) any of Section 6.03(a) ; solely with respect to the Loan Parties, 6.05(a) , 6.10 or 6.11 or Article VII ; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty days after the earlier of (i) the date on which such failure shall first become known to a Responsible Officer of the Borrower or (ii) written notice thereof is given to a Responsible Officer of the Borrower by the Administrative Agent; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of face made or deemed made by or on behalf of a Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be untrue in any material respect (other than those representations and warranties that are qualified by materiality or Material Adverse Effect, in which case in any respect) when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary of a Loan Party with a net worth in excess of $10,000,000 (A) after giving effect to any grace period applicable thereto (including any cure period, forbearance or other extension, amendment or waiver), fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee of such Indebtedness (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including drawn and outstanding amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) after giving effect to any grace period applicable thereto (including any cure period, forbearance or other extension, amendment or waiver), fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee of such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which any Loan Party or any Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as so defined) under such Swap Contract as to which any Loan Party or any Subsidiary is an Affected Party (as so defined) and, in either event, after giving effect to any grace period applicable thereto (including any cure period, forbearance or other extension, amendment or waiver), the Swap Termination Value owed by such Loan Party or such Subsidiary as a result thereof is greater than the Threshold Amount; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any Subsidiary of a Loan Party with a net worth in excess of $10,000,000 institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Subsidiary of a Loan Party with a net worth in excess of $10,000,000 becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary of a Loan Party with a net worth in excess of $10,000,000 one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments or orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer has been notified of the claim and does not dispute coverage), and, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of thirty (30) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or would reasonably be expected to result in liability of any Loan Party or any Subsidiary under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount; provided, however, that, for purposes of determining whether withdrawal liability associated with a Multiemployer Plan is in excess of the Threshold Amount, only the maximum annual withdrawal liability payment amount pursuant to Section 4219(c) of ERISA shall be taken into account, as opposed to the total aggregate withdrawal liability assessed, or (ii) any Loan Party, any Subsidiary or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any provision of any Loan Document, or purports to revoke, terminate or rescind any Loan Document.

8.02 Remedies Upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it, the Lenders under the Loan Documents or applicable Law or at equity;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, without further act of the Administrative Agent or any Lender.

8.03 Application of Funds.

After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Section 2.15 , be applied by the Administrative Agent in the following order:

First , to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second , to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third , to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth , to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Fourth payable to them; and

Last , the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

ARTICLE IX

ADMINISTRATIVE AGENT

9.01 Appointment and Authority.

Each of the Lenders hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders, and no Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

9.02 Rights as a Lender.

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders or to provide notice to or consent of the Lenders with respect thereto.

9.03 Exculpatory Provisions.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. Any such action taken or failure to act pursuant to the foregoing shall be binding on all Lenders. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower or a Lender.

Neither the Administrative Agent nor any of its Related Parties have any duty or obligation to any Lender or participant or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document and (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.04 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall be fully protected in relying and shall not incur any liability for relying upon, any notice, request, certificate, communication, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall be fully protected in relying and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties.

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub agents appointed by the Administrative Agent. The Administrative Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub agent and to the Related Parties of the Administrative Agent and any such sub agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with and (so long as there is no continuing Event of Default) with the consent of the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders (and, if applicable, the Borrower) and shall have accepted such appointment within thirty days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the " Resignation Effective Date "), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty days (or such earlier day as shall be agreed by the Required Lenders) (the " Removal Effective Date "), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

9.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the

Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 **No Other Duties; Etc .**

Anything herein to the contrary notwithstanding, none of the bookrunners, arrangers, syndication agents, documentation agents or co-agents shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender hereunder.

9.09 **Administrative Agent May File Proofs of Claim .**

In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 11.04 .

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

9.10 **Guaranty Matters .**

Each of the Lenders irrevocably authorize the Administrative Agent, at its option and in its discretion, to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary (or Significant Subsidiary, as applicable) as a result of a transaction permitted under the Loan Documents or is otherwise no longer required to be a Guarantor in accordance with the terms of this Agreement.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Guarantor from its obligations under the Guaranty, pursuant to this Section 9.10 .

ARTICLE X

GUARANTY

10.01 The Guaranty .

Each of the Guarantors hereby jointly and severally guarantees to each Lender and each other holder of Obligations as hereinafter provided, as primary obligor and not as surety, the prompt payment of the Obligations in full when due (whether at stated maturity, by acceleration or otherwise) strictly in accordance with the terms thereof. The Guarantors hereby further agree that if any of the Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise), the Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise) in accordance with the terms of such extension or renewal.

Notwithstanding any provision to the contrary contained herein or in any other of the Loan Documents or the other documents relating to the Obligations, the obligations of each Guarantor under this Agreement and the other Loan Documents shall not exceed an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under applicable Debtor Relief Laws.

10.02 Obligations Unconditional .

The obligations of the Guarantors under Section 10.01 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Loan Documents or other documents relating to the Obligations, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable Law, irrespective of any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 10.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against the Borrower or any other Loan Party for amounts paid under this Article X until such time as the Obligations have been paid in full and the Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by Law, the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Loan Documents or other documents relating to the Obligations shall be done or omitted;

(c) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents or other documents relating to the Obligations shall be waived or any other guarantee of any of the Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with; or

(d) any of the Obligations shall be determined to be void or voidable (including for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any other holder of the Obligations exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents or any other document relating to the Obligations, or against any other Person under any other guarantee of, or security for, any of the Obligations.

10.03 Reinstatement .

The obligations of each Guarantor under this Article X shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any Debtor Relief Law or otherwise, and each Guarantor agrees that it will indemnify the Administrative Agent and each other holder of the Obligations on demand for all reasonable costs and expenses (including the fees, charges and disbursements of counsel) incurred by the Administrative Agent or such holder of the Obligations in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any Debtor Relief Law.

10.04 Certain Additional Waivers .

Each Guarantor agrees that such Guarantor shall have no right of recourse to security for the Obligations, except through the exercise of rights of subrogation pursuant to Section 10.02 and through the exercise of rights of contribution pursuant to Section 10.06 .

10.05 Remedies .

The Guarantors agree that, to the fullest extent permitted by Law, as between the Guarantors, on the one hand, and the Administrative Agent and the other holders of the Obligations, on the other hand, the Obligations may be declared to be forthwith due and payable as specified in Section 10.02 (and shall be deemed to have become automatically due and payable in the circumstances specified in Section 10.02) for purposes of Section 10.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Obligations being deemed to have become automatically due and payable), the Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Guarantors for purposes of Section 10.01 .

10.06 Rights of Contribution .

The Guarantors hereby agree as among themselves that, if any Guarantor shall make an Excess Payment (as defined below), such Guarantor shall have a right of contribution from each other Guarantor in an amount equal to such other Guarantor's Contribution Share (as defined below) of such Excess Payment. The payment obligations of any Guarantor under this Section 10.06 shall be subordinate and subject in right of payment to the Obligations until such time as the Obligations have been paid-in-full and the Commitments have terminated, and none of the Guarantors shall exercise any right or remedy under this Section 10.06 against any other Guarantor until such Obligations have been paid-in-full and the Commitments have terminated. For purposes of this Section 10.06 , (a) " Excess Payment " shall mean the amount paid by any Guarantor in excess of its Ratable Share of any Obligations; (b) " Ratable Share " shall mean, for any Guarantor in respect of any payment of Obligations, the ratio (expressed as a percentage) as of the date of such payment of Obligations of (i) the amount by which the aggregate present fair salable value of all of its assets and properties exceeds the amount of all debts and liabilities of such Guarantor (including contingent, subordinated, unmatured, and unliquidated liabilities, but excluding the obligations of such Guarantor hereunder) to (ii) the amount by which the aggregate present fair salable value of all assets and other properties of all of the Loan Parties exceeds the amount of all of the debts and liabilities (including contingent, subordinated, unmatured, and unliquidated liabilities, but excluding the obligations of the Loan Parties hereunder) of the Loan Parties; provided , however , that, for purposes of calculating the Ratable Shares of the Guarantors in respect of any payment of Obligations, any Guarantor that became a Guarantor subsequent to the date of any such payment shall be deemed to have been a Guarantor on the date of such payment and the financial information for such Guarantor as of the date such Guarantor became a Guarantor shall be utilized for such Guarantor in connection with such payment; and (c) " Contribution Share " shall mean, for any Guarantor in respect of any Excess Payment made by any other Guarantor, the ratio (expressed as a percentage) as of the date of such Excess Payment of (i) the amount by which the aggregate present fair salable value of all of its assets and properties exceeds the amount of all debts and liabilities of such Guarantor (including contingent, subordinated, unmatured, and unliquidated liabilities, but excluding the obligations of such Guarantor hereunder) to (ii) the amount by which the aggregate present fair salable value of all assets and other properties of the Loan Parties other than the maker of such Excess Payment exceeds the amount of all of the debts and liabilities (including contingent, subordinated, unmatured, and unliquidated liabilities, but excluding the obligations of the Loan Parties) of the Loan Parties other than the maker of such Excess Payment; provided , however , that, for purposes of calculating the Contribution Shares of the Guarantors in respect of any Excess Payment, any Guarantor that became a Guarantor subsequent to the date of any such Excess Payment shall be deemed to have been a Guarantor on the date of such Excess Payment and the financial information for such Guarantor as of the date such Guarantor became a Guarantor shall be utilized for such Guarantor in connection with such Excess Payment. This Section 10.06 shall not be deemed to affect any right of subrogation, indemnity, reimbursement or contribution that any Guarantor may have under Law against the Borrower in respect of any payment of Obligations.

10.07 Guarantee of Payment; Continuing Guarantee .

The guarantee in this Article X is a guaranty of payment and not of collection, is a continuing guarantee, and shall apply to the Obligations whenever arising.

10.08 Appointment of Borrower .

Each of the Guarantors hereby appoints the Borrower to act as its agent for all purposes of this Agreement, the other Loan Documents and all other documents and electronic platforms entered into in connection herewith and agrees that (a) the Borrower may execute such documents and provide such authorizations on behalf of such Guarantor as the Borrower deems appropriate in its sole discretion and each Guarantor shall be obligated by all of the terms of any such document and/or authorization executed on its behalf, (b) any notice or communication delivered by the Administrative Agent or a Lender to the Borrower shall be deemed delivered to each Guarantor and (c) the Administrative Agent or the Lenders may accept, and be permitted to rely on, any document, authorization, instrument or agreement executed by the Borrower on behalf of each of the Guarantors.

ARTICLE XI

MISCELLANEOUS

11.01 Amendments, Etc .

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided , however , that

(a) no such amendment, waiver or consent shall:

(i) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent set forth in Section 4.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(ii) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) or any scheduled reduction of the Commitments hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment or whose Commitments are to be reduced;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan, or any fees (other than pursuant to a fee letter separate from this Agreement in which all the Lenders are not a party thereto) or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such amount; provided , however , that only the consent of the Required Lenders shall be necessary (A) to amend the definition of “Default Rate” or to waive any obligation of the Borrower to pay interest at the Default Rate or (B) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or to reduce any fee payable hereunder;

(iv) change Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(v) change any provision of this Section 11.01(a) or the definition of "Required Lenders" without the written consent of each Lender directly affected thereby;

(vi) release the Borrower without the consent of each Lender, or, except in connection with a transaction permitted under Section 7.04 or Section 7.05 , all or substantially all of the value of the Guaranty without the written consent of each Lender whose Obligations are guarantied thereby, except to the extent such release is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone); or

(b) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document;

provided , further , that notwithstanding anything to the contrary herein, (i) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein and (ii) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

No Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of such Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects such Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

Notwithstanding any provision herein to the contrary the Administrative Agent and the Borrower may amend, modify or supplement this Agreement or any other Loan Document to cure or correct administrative errors or omissions, any ambiguity, omission, defect or inconsistency or to effect administrative changes, and such amendment shall become effective without any further consent of any other party to such Loan Document so long as (i) such amendment, modification or supplement does not adversely affect the rights of any Lender or other holder of Obligations in any material respect and (ii) the Lenders shall have received at least five Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment.

11.02 Notices; Effectiveness; Electronic Communications .

(a) Notices Generally . Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to any Loan Party or the Administrative Agent, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 11.02 ; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications . Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e mail, FpML messaging, and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement) and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) , if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform . THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER

CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the " Agent Parties ") have any liability to the Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Loan Party's or the Administrative Agent's transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service, or through the Internet.

(d) Change of Address, Etc . Each of the Borrower and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities Laws.

(e) Reliance by Administrative Agent and Lenders . The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement .

No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or under any other Loan Document (including the imposition of the Default Rate) preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders; provided , however , that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided , further , that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 2.13 , any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; Damage Waiver .

(a) Costs and Expenses . The Loan Parties shall pay (i) all reasonable and documented out of pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent) in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all out of pocket expenses incurred by the Administrative Agent or any Lender (including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made hereunder, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Indemnification by the Loan Parties . The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof) and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an " Indemnitee ") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including any Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01) , (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Loan Party, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, (y) result from a claim brought by any Loan Party against an Indemnitee for breach of such Indemnitee's obligations hereunder or under any other Loan Document, if such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction or (z) is a dispute solely among Indemnitees at a time when the Loan Parties have not breached their obligations hereunder in any material respect. Without limiting the provisions of Section 3.01(c) , this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders . To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by them to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposures of all Lenders at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lenders' Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided , further that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d) .

(d) Waiver of Consequential Damages, Etc . To the fullest extent permitted by applicable Law, no party hereto shall assert, and each such party hereby waives, and acknowledges that no other Person shall have, any claim on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof; provided that nothing contained in this clause (d) shall relieve the Loan Parties of any obligation it may have to indemnify an Indemnitee to against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party claim. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments . All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival . The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside .

To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns .

(a) Successors and Assigns Generally . The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders . Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts .

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the related Loans at the time owing to it or contemporaneous assignments to related Approved Funds (determined after giving effect to such Assignments) that equal at least the amount specified in subsection (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts . Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's Loans and Commitments, and rights and obligations with respect thereto, assigned;

(iii) Required Consents . No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any unfunded Revolving Commitment if such assignment is to a Person that is not a Lender with a Commitment subject to such assignment, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(iv) Assignment and Assumption . The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided , however , that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons . No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), (C) a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person) or (D) any Disqualified Institution.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment); provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations . Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person), a Disqualified Institution, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a " Participant ") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in Section 11.01(a) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01 , 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04 , with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by Law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the " Participant Register "); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges . Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

11.07 Treatment of Certain Information; Confidentiality .

Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating any Loan Party or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Agents and the Lenders in connection with the administration of this Agreement (including information about this Agreement that is customarily provided to such parties), the other Loan Documents, and the Commitments.

For purposes of this Section, " Information " means all information received from a Loan Party or any Subsidiary relating to the Loan Parties or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by such Loan Party or any Subsidiary, provided that, in the case of information received from a Loan Party or any Subsidiary after the Closing Date, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning a Loan Party or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

11.08 Rights of Setoff .

If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of any Loan Party against any and all of the obligations of such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or their respective Affiliates, irrespective of whether or not such Lender or such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Loan Party may be contingent or unmatured or are owed to a branch or office or Affiliate of such Lender different from the branch or office or Affiliate holding such deposit or obligated on such indebtedness; provided , that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or their respective Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

11.09 Interest Rate Limitation .

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the " Maximum Rate "). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness .

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01 , this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

11.12 Severability .

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12 , if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders .

If the Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06 , or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b) ;

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01 , such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc .

(a) GOVERNING LAW . THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION . EACH LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE . EACH LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS . EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02 . NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Jury Trial .

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 No Advisory or Fiduciary Responsibility .

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each of the Loan Parties acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between the Loan Parties and their Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders, on the other hand, (B) each of the Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each of the Loan Parties is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent, the Arrangers and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Loan Parties or any of their respective Affiliates, or any other Person and (B) neither the Administrative Agent, any Arranger nor any Lender has any obligation to the Loan Parties or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Arrangers, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Loan Parties and their respective Affiliates, and neither the Administrative Agent, any Arranger nor any Lender has any obligation to disclose any of such interests to the Loan Parties and their respective Affiliates. To the fullest extent permitted by Law, each of the Loan Parties hereby waives and releases any claims that it may have against the Administrative Agent, any Arranger or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.17 Electronic Execution of Assignments and Certain Other Documents .

The words "delivery," "execute," "execution," "signed," "signature," and words of like import in any Loan Document or any other document executed in connection herewith shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary neither the Administrative Agent nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent or such Lender pursuant to procedures approved by it and provided further without limiting the foregoing, upon the request of any party, any electronic signature shall be promptly followed by such manually executed counterpart.

11.18 USA PATRIOT Act Notice .

Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Loan Parties, which information includes the name and address of the Loan Parties and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Loan Parties in accordance with the Act. The Loan Parties shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

11.19 Acknowledgment and Consent to Bail-In of EEA Financial Institutions .

Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER:

BGC PARTNERS, INC.,
a Delaware corporation

By: /s/ A. Graham Sadler
Name: A. Graham Sadler
Title: Chief Financial Officer

GUARANTORS:

BGC PARTNERS, L.P.,
a Delaware limited partnership

By: BGC Holdings, LLC, its general partner
By: /s/ A. Graham Sadler
Name: A. Graham Sadler
Title: Chief Financial Officer

NEWMARK & COMPANY REAL ESTATE, INC.,
a New York corporation

By: /s/ James Ficarro
Name: James Ficarro
Title: Authorized Signatory

BGC CAPITAL MARKETS, L.P.,
a Delaware limited partnership

By: BGCCMLP Holdings, LLP, its general partner
By: /s/ A. Graham Sadler
Name: A. Graham Sadler
Title: Chief Financial Officer

CORNISH & CAREY COMMERCIAL,
a California corporation

By: /s/ James Ficarro
Name: James Ficarro
Title: Chief Administrative Officer

BGC USA, L.P.,
a Delaware limited partnership

By: /s/ A. Graham Sadler
Name: A. Graham Sadler
Title: Chief Financial Officer

GFI GROUP, INC.
a Delaware corporation

By: /s/ James A. Peers
Name: James A. Peers
Title: Chief Financial Officer

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Paley Chen
Name: Paley Chen
Title: Vice President

LENDERS:

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Sherman M. Wong
Name: Sherman M. Wong
Title: Director

CAPITAL ONE, N.A.
as a Lender

By: /s/ Sean C. Horridge
Name: Sean C. Horridge
Title: Vice President

INDUSTRIAL AND COMMERCIAL BANK
OF CHINA LIMITED, NEW YORK BRANCH,
as a Lender

By: /s/ Yuqiang Xiao
Name: Yuqiang Xiao
Title: General Manager

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ William R. Mandaro
Name: William R. Mandaro
Title: Senior Vice President

ASSOCIATED BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Edward J. Chidiac
Name: Edward J. Chidiac
Title: Senior Vice President

BANKUNITED, N.A.,
as a Lender

By:	/s/ Gerard M. McPartland
Name:	Gerard M. McPartland
Title:	Senior Vice President

WESTERN ALLIANCE BANK, an Arizona corporation,
as a Lender

By:	/s/ Anthony J. Stelluto
Name:	Anthony J. Stelluto
Title:	Senior Vice President

Exhibit 2.02

FORM OF LOAN NOTICE

Date: __________, ______

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of February 25, 2016 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement;" the terms defined therein being used herein as therein defined), among BGC Partners, Inc., a Delaware corporation (the "Borrower"), the Guarantors from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent.

The undersigned hereby requests (select one):

☐ A Borrowing of Revolving Loans

☐ A conversion or continuation of Revolving Loans

1. **ON ________(A BUSINESS DAY).**
2. **IN THE AMOUNT OF $ __________.**
3. **COMPRISED OF __________.**
   [TYPE OF LOAN REQUESTED]
4. **FOR EURODOLLAR RATE LOANS: WITH AN INTEREST PERIOD OF ____MONTHS.**

[With respect to such Borrowing, the Borrower hereby represents and warrants that (i) such request complies with the requirements of Section 2.01 of the Credit Agreement and (ii) each of the conditions set forth in Section 4.02 of the Credit Agreement has been satisfied on and as of the date of such Borrowing.]

BGC PARTNERS, INC.

By: ______________________________
Name: ______________________________
Title: ______________________________

Exhibit 2.05

FORM OF NOTICE OF LOAN PREPAYMENT

TO: Bank of America, N.A., as Administrative Agent

RE: Credit Agreement dated as of February 25, 2016 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the " Credit Agreement ;" the terms defined therein being used herein as therein defined), among BGC Partners, Inc., a Delaware corporation (the " Borrower "), the Guarantors from time to time party thereto, the Lenders party thereto and Bank of America, N.A., in its capacity as administrative agent (in such capacity, the " Administrative Agent ") for the lenders from time to time party to the Credit Agreement.

DATE: [Date]

The Borrower hereby notifies the Administrative Agent that on ___________[1] pursuant to the terms of Section 2.05 of the Credit Agreement, the Borrower intends to prepay the following Loans as more specifically set forth below:

Voluntary prepayment in the following amount(s):

☐ Eurodollar Rate Loans: $ ___________[2]

Applicable Interest Period: ________

☐ Base Rate Loans: $ ___________[3]

Delivery of an executed counterpart of a signature page of this notice by fax transmission or other electronic mail transmission (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this notice.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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1 Specify date of such prepayment.

2 Any prepayment of Eurodollar Rate Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof (or if less, the entire principal amount thereof outstanding).

3 Any prepayment of Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof (or if less, the entire principal amount thereof outstanding).

BGC PARTNERS, INC.,

a Delaware corporation

By:	______________________
Name:	______________________
Title:	______________________

Exhibit 2.11

FORM OF NOTE

__________, 20 __

FOR VALUE RECEIVED, the undersigned (the " Borrower "), hereby promises to pay to __________or registered assigns (the " Lender "), in accordance with the provisions of the Agreement (as hereinafter defined), the principal amount of each Loan from time to time made by the Lender to the Borrower under that certain Credit Agreement, dated as of February 25, 2016 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the " Agreement ;" the terms defined therein being used herein as therein defined), among the Borrower, the Guarantors from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent.

The Borrower promises to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in Dollars in immediately available funds at the Administrative Agent's Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Note is one of the Notes referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

BGC PARTNERS, INC.

By: ______________________________
Name:
Title:

EXHIBIT 3.01-A

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 25, 2016 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement "), among BGC Partners, Inc., a Delaware corporation (the " Borrower "), the Guarantors identified therein, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BENE (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: __________, 20 __

EXHIBIT 3.01-B

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 25, 2016 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement "), among BGC Partners, Inc., a Delaware corporation (the " Borrower "), the Guarantors identified therein, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BENE (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: __________, 20 __

EXHIBIT 3.01-C

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 25, 2016 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement "), among BGC Partners, Inc., a Delaware corporation (the " Borrower "), the Guarantors identified therein, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BENE (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BENE (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: ________________________
Name: ________________________
Title: ________________________
Date: __________, 20 __

EXHIBIT 3.01-D

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 25, 2016 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement "), among BGC Partners, Inc., a Delaware corporation (the " Borrower "), the Guarantors identified therein, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BENE (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BENE (or W-8BEN, as applicable)from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:	______________________
Name:	______________________
Title:	______________________
Date:	__________, 20 __

Exhibit 6.02

FORM OF COMPLIANCE CERTIFICATE

For the fiscal period ended ___________, 20 ___.

I, ___________, [Title] of BGC PARTNERS, INC. (the " Borrower ") hereby certify that, to the best of my knowledge and belief, with respect to that certain Credit Agreement dated as of February 25, 2016 (as amended, modified, restated or supplemented from time to time, the " Credit Agreement "; all of the defined terms in the Credit Agreement are incorporated herein by reference) among the Borrower, the Guarantors, the Lenders and Bank of America, N.A., as Administrative Agent:

(a) **The company-prepared financial statements which accompany this certificate are true and correct in all material respects and have been prepared in accordance with GAAP applied on a consistent basis, subject to changes resulting from normal year-end audit adjustments.**

(b) **Since ___________ (the date of the last similar certification, or, if none, the Closing Date) no Default or Event of Default has occurred under the Credit Agreement;**

(c) **(select one):**

☐ Attached hereto is a supplement to Schedule 5.11 (Loan Parties and Subsidiaries) of the Credit Agreement, such that, as supplemented, such Schedule is accurate and complete as of the date hereof.

☐ No such supplement is required at this time.

Delivered herewith are detailed calculations demonstrating compliance by the Loan Parties with the financial covenants contained in Section 7.11 of the Credit Agreement as of the end of the fiscal period referred to above.

This ______ day of ___________, 20 ___.

BGC PARTNERS, INC.

By: ____
Name:
Title:

Attachment to Officer's Certificate

Computation of Financial Covenants

Exhibit 6.12

FORM OF JOINDER AGREEMENT

THIS JOINDER AGREEMENT (the "Agreement"), dated as of __________, 20 ____, is by and between __________, a __________(the "Subsidiary"), and BANK OF AMERICA, N.A., in its capacity as Administrative Agent under that certain Credit Agreement (as it may be amended, modified, restated or supplemented from time to time, the "Credit Agreement"), dated as of February 25, 2016, by and among BGC PARTNERS, INC., a Delaware corporation (the "Borrower"), the Guarantors, the Lenders and Bank of America, N.A., as Administrative Agent. All of the defined terms in the Credit Agreement are incorporated herein by reference.

The Loan Parties are required by Section 6.12 of the Credit Agreement to cause the Subsidiary to become a "Guarantor".

Accordingly, the Subsidiary hereby agrees as follows with the Administrative Agent, for the benefit of the Lenders:

1. The Subsidiary hereby acknowledges, agrees and confirms that, by its execution of this Agreement, the Subsidiary will be deemed to be a party to the Credit Agreement and a "Guarantor" for all purposes of the Credit Agreement, and shall have all of the obligations of a Guarantor thereunder as if it had executed the Credit Agreement. The Subsidiary hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions applicable to the Guarantors contained in the Credit Agreement. Without limiting the generality of the foregoing terms of this paragraph 1, the Subsidiary hereby jointly and severally together with the other Guarantors, guarantees to each Lender and the Administrative Agent, as provided in Article X of the Credit Agreement, the prompt payment of the Obligations in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, a mandatory cash collateralization or otherwise) strictly in accordance with the terms thereof.

2. The address of the Subsidiary for purposes of all notices and other communications is __________, __________, Attention of __________(Facsimile No. __________).

3. The Subsidiary hereby waives acceptance by the Administrative Agent and the Lenders of the guaranty by the Subsidiary under Article X of the Credit Agreement upon the execution of this Agreement by the Subsidiary.

4. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute one contract.

5. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Subsidiary has caused this Joinder Agreement to be duly executed by its authorized officers, and the Administrative Agent, for the benefit of the Lenders, has caused the same to be accepted by its authorized officer, as of the day and year first above written.

[SUBSIDIARY]

By: ______________________________
Name:
Title:

Acknowledged and accepted:

BANK OF AMERICA, N.A.,

as Administrative Agent

By: ______________________________
Name:
Title:

Exhibit 11.06(b)

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this " Assignment and Assumption ") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the " Assignor ") and [*Insert name of Assignee*] (the " Assignee "). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the " Credit Agreement "), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto in the amount[s] and equal to the percentage interest[s] identified below of all the outstanding rights and obligations under the respective facilities identified below (including, without limitation, Guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the " Assigned Interest "). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1.	Assignor:	______________________________ [Assignor [is][is not] a Defaulting Lender.]
2.	Assignee:	______________________________ [and is an Affiliate/Approved Fund of [*identify Lender*] [4]]
3.	Borrower:	BGC Partners, Inc., a Delaware corporation
4.	Agent:	Bank of America, N.A., as the administrative agent under the Credit Agreement
5.	Credit Agreement:	Credit Agreement dated as of February 25, 2016 among the Borrower, the Guarantors party thereto, the Lenders party thereto and Bank of America, N.A., as Administrative Agent
6.	Assigned Interest:	

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4 Select as applicable.

Facility Assigned [5]	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned *	Percentage Assigned of Commitment/Loans [6]
	$	$	%
	$	$	%
	$	$	%

[7. Trade Date: ______________] [7]

Effective Date: _____________ ___, 20___ [TO BE INSERTED BY AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: ________________________________

Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: ________________________________

Title:

[Consented to and] [8] Accepted:

BANK OF AMERICA, N.A. as
Agent

By ________________________________

5 Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g. “Revolving Commitment”)

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

6 Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

7 To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

8 To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

Title:

BGC PARTNERS, INC.

By ______________________________

Title:

ANNEX 1

STANDARD TERMS AND CONDITIONS FOR

ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) of the Credit Agreement (subject to such consents, if any, as may be required under Section 11.06(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, and (vii) if it is a Foreign Lender, attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments . From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions . This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Exhibit 11.06(b)(iv)

FORM OF ADMINISTRATIVE QUESTIONNAIRE

[Request appropriate form from Administrative Agent]

Computation of Ratio of Earnings to Fixed Charges

The following table presents the ratio of earnings to fixed charges for us and our consolidated subsidiaries for each of the periods indicated, including GFI beginning with the quarter ended March 31, 2015. For the purposes of calculating the ratio of earnings to fixed charges, "earnings" consist of income from operations before income taxes and fixed charges, net. "Fixed charges" consist of interest expense incurred on all indebtedness, amortized premiums, discounts and capitalized expenses relating to indebtedness and interest within rental expense. Neither we nor any of our consolidated subsidiaries had any preferred shares outstanding for any of the periods reflected in this table.

	Year Ended December 31,				
	2015	2014	2013	2012	2011
	(dollars in thousands)				
Earnings:					
Income from operations before income taxes [1]	$386,951	$ 5,433	$275,429	$ 67,512	$60,964
Add: Fixed charges, net [2, 3]	69,359	37,949	39,932	36,385	25,606
Income from operations before income taxes and fixed charges, net	$456,310	$43,382	$315,361	$103,897	$86,570
Fixed charges:					
Total interest expense	$ 62,607	$32,297	$ 32,411	$ 29,419	$22,798
Amortized premiums, discounts and capitalized expenses related to indebtedness	6,752	5,648	5,921	5,466	1,808
Interest within rental expense	—	4	1,600	1,500	1,000
Total fixed charges	$ 69,359	$37,949	$ 39,932	$ 36,385	$25,606
Ratio of earnings to fixed charges	6.6	1.1	7.9	2.9	3.4

1 Income from operations before income taxes does not include gains or losses from equity investees.

2 Fixed charges reflect our 5.375% Senior Notes from their issuance on December 9, 2014 and the 8.375% GFI Notes and the balance outstanding under the GFI Second Amended and Restated Credit Agreement, dated as of December 20, 2010, which we refer to as the "GFI Credit Agreement," following the acquisition of GFI in the first quarter of 2015. Fixed charges also reflect our 8.75% Convertible Senior Notes due April 15, 2015, which were converted in full into Class A common stock on April 13, 2015.

3 Does not reflect the reduction in the penalty interest rate payable on the 8.375% GFI Notes effective July 19, 2015, our borrowing of $100,000,000 from Cantor on October 1, 2015 under a Revolving Credit Agreement, dated as of October 1, 2015, between us and Cantor, or GFI's repayment of its $75,000,000 then-outstanding balance under the GFI Credit Agreement, with the proceeds of a $75,000,000 loan from us, on October 2, 2015.

Exhibit 21.1

LIST OF SUBSIDIARIES OF BGC PARTNERS, INC.

ENTITY NAMES	DOMESTIC JURISDICTION
12TH STREET CAPITAL, LLC	DELAWARE
ADVANCED MARKETS HOLDINGS, LLC	DELAWARE
AMEEFI SERVICES, INC.	DELAWARE
AMEREX BROKERS LLC	DELAWARE
AMPEX ENERGY, LLC	DELAWARE
APARTMENT REALTY ADVISORS MIDWEST, INC.	OHIO
APARTMENT REALTY ADVISORS MIDWEST, INC.	OHIO
APARTMENT REALTY ADVISORS OF ARIZONA, LLLP	ARIZONA
APARTMENT REALTY ADVISORS OF ARIZONA, LLLP	ARIZONA
APARTMENT REALTY ADVISORS OF COLORADO, LLLP	COLORADO
APARTMENT REALTY ADVISORS OF FLORIDA, INC.	FLORIDA
APARTMENT REALTY ADVISORS OF FLORIDA, LLC	FLORIDA
APARTMENT REALTY ADVISORS OF GEORGIA, INC.	GEORGIA
APARTMENT REALTY ADVISORS OF GEORGIA, INC.	GEORGIA
APARTMENT REALTY ADVISORS, LLC	DELAWARE
APARTMENT REALTY ADVISORS/CENTRAL STATES, INC.	KANSAS
APARTMENT REALY ADVISORS OF THE CAROLINAS, INC.	NORTH CAROLINA
AQUA SECURITIES HOLDINGS, LLC	DELAWARE
AQUA SECURITIES, L.P.	DELAWARE
AQUA SOFTWARE, LLC	DELAWARE
ARA CAL, INC.	CALIFORNIA
ARA CAL, INC.	CALIFORNIA

ARA DC, LLC	DELAWARE
ARA NATIONAL LAND SERVICES, LLC	VIRGINIA
ARA NORTHWEST, LLC	OREGON
ARA OF OKLAHOMA/ARKANSAS LLC	DELAWARE
ARFIMA FINANCIAL SERVICES SL	SPAIN
ARFIMA TRADING S.L.	SPAIN
AUREL BGC	FRANCE
BGC (SECURITIES) AUSTRALIA PTY LIMITED	AUSTRALIA
BGC BRAZIL HOLDINGS LIMITADA	BRAZIL
BGC BRAZIL HOLDINGS, LLC	DELAWARE
BGC BROKERS GP LIMITED	ENGLAND
BGC BROKERS HOLDINGS, L.P.	DELAWARE
BGC BROKERS HOLDINGS, LLC	DELAWARE
BGC BROKERS INVESTMENT, L.P.	DELAWARE
BGC BROKERS L.P.	ENGLAND
BGC BROKERS US HOLDINGS, LLC	DELAWARE
BGC BROKERS US, L.P.	DELAWARE
BGC CANADA SECURITIES COMPANY	CANADA/NOVA SCOTIA
BGC CANADA SECURITIES COMPANY HOLDINGS, L.P.	DELAWARE
BGC CANADA SECURITIES COMPANY HOLDINGS, LLC	DELAWARE
BGC CAPITAL MARKETS (HONG KONG) LIMITED	HONG KONG
BGC CAPITAL MARKETS (JAPAN) LLC	DELAWARE
BGC CAPITAL MARKETS (SWITZERLAND) LLC	DELAWARE
BGC CAPITAL MARKETS AND FOREIGN EXCHANGE BROKER (KOREA) LIMITED	SOUTH KOREA
BGC CAPITAL MARKETS, L.P.	DELAWARE

BGC CAYMAN ISLANDS HOLDINGS I LIMITED	CAYMAN ISLANDS
BGC CHINA HOLDINGS, LLC	DELAWARE
BGC CHINA, L.P.	DELAWARE
BGC COMMERCIAL REAL ESTATE HOLDINGS, LLC	DELAWARE
BGC DERIVATIVE MARKETS HOLDINGS, LLC	DELAWARE
BGC DERIVATIVE MARKETS, L.P.	DELAWARE
BGC ENVIRONMENTAL BROKERAGE SERVICES HOLDINGS, LLC	DELAWARE
BGC ENVIRONMENTAL BROKERAGE SERVICES, L.P.	DELAWARE
BGC EPSILON FINANCING, LLC	DELAWARE
BGC EPSILON HOLDINGS, LLC	DELAWARE
BGC EUROPEAN GP LIMITED	ENGLAND
BGC EUROPEAN HOLDINGS, L.P.	ENGLAND
BGC FINANCIAL GROUP, INC.	DELAWARE
BGC FINANCIAL, L.P.	DELAWARE
BGC FRANCE HOLDINGS	FRANCE
BGC GLOBAL HOLDINGS GP LIMITED	CAYMAN ISLANDS
BGC GLOBAL HOLDINGS, L.P.	CAYMAN ISLANDS
BGC GLOBAL LIMITED	ENGLAND
BGC GP LIMITED	ENGLAND
BGC GP, LLC	DELAWARE
BGC HCMC HOLDINGS, LLC	DELAWARE
BGC HOLDINGS (TURKEY), LLC	DELAWARE
BGC HOLDINGS II, LLC	DELAWARE
BGC HOLDINGS U.S., INC.	DELAWARE
BGC HOLDINGS, L.P.	DELAWARE

BGC HOLDINGS, LLC	DELAWARE
BGC INFORMATION HOLDINGS, LLC	DELAWARE
BGC INFORMATION, L.P.	DELAWARE
BGC INTERNATIONAL	ENGLAND
BGC INTERNATIONAL GP LIMITED	ENGLAND
BGC INTERNATIONAL HOLDINGS, L.P.	DELAWARE
BGC INTERNATIONAL, L.P.	ENGLAND
BGC LIQUIDEZ DISTRIBUIDORA DE TITULOS E VALORES MOBILIARIOS LTDA.	BRAZIL
BGC M LIMITED PARTNERSHIP	ENGLAND AND WALES
BGC MARKET DATA, L.P.	DELAWARE
BGC MEXICO HOLDINGS, S. DE R.L. de C.V.	MEXICO
BGC MEXICO R.E. HOLDINGS, LLC	DELAWARE
BGC MEXICO R.E. HOLDINGS, S. de R.L. de C.V.	MEXICO
BGC NOTE ACQUISITION CO. HOLDINGS, LLC	DELAWARE
BGC NOTE ACQUISITION CO., L.P.	DELAWARE
BGC NOTES, LLC	NEW YORK
BGC NU HOLDINGS, LLC	DELAWARE
BGC PARTNERS (AUSTRALIA) PTY LIMITED	AUSTRALIA
BGC PARTNERS (SINGAPORE) LIMITED	SINGAPORE
BGC PARTNERS CIS LLC	MOSCOW, RUSSIA
BGC PARTNERS MENKUL DEGERLER A.S.	TURKEY
BGC PARTNERS, INC.	DELAWARE
BGC PARTNERS, L.P.	DELAWARE
BGC PARTNERS, L.P.	DELAWARE
BGC RADIX ENERGY L.P.	DELAWARE

BGC REAL ESTATE OF ARIZONA, LLC	DELAWARE
BGC REAL ESTATE OF MICHIGAN, LLC	DELAWARE
BGC REAL ESTATE OF NEVADA, LLC	DELAWARE
BGC REAL ESTATE OF OHIO HOLDINGS, LLC	DELAWARE
BGC REAL ESTATE OF OHIO, L.P.	DELAWARE
BGC REAL ESTATE OF WASHINGTON, LLC	DELAWARE
BGC REAL ESTATE, LLC	DELAWARE
BGC REMATE HOLDINGS, LLC	DELAWARE
BGC SA FINANCIAL BROKERS (PTY) LIMITED	SOUTH AFRICA
BGC SECURITIES (HONG KONG) LLC	DELAWARE
BGC SECURITIES (SINGAPORE) LIMITED	SINGAPORE
BGC SECURITIES (SOUTH AFRICA) PTY LIMITED	SOUTH AFRICA
BGC SECURITIES SARL	SWITZERLAND
BGC SERVICES (HOLDINGS) LLP	ENGLAND
BGC SHOKEN KAISHA LIMITED	DELAWARE
BGC STOCKHOLM GP LIMITED	ENGLAND AND WALES
BGC STOCKHOLM HOLDINGS LP	ENGLAND AND WALES
BGC TECHNOLOGY (HONG KONG) HOLDINGS I, INC.	DELAWARE
BGC TECHNOLOGY (HONG KONG) HOLDINGS II, INC.	DELAWARE
BGC TECHNOLOGY (HONG KONG) HOLDINGS III, LLC	DELAWARE
BGC TECHNOLOGY (HONG KONG) LIMITED	HONG KONG
BGC TECHNOLOGY (JAPAN) LIMITED	JAPAN
BGC TECHNOLOGY A LIMITED	ENGLAND AND WALES
BGC TECHNOLOGY B LIMITED	ENGLAND AND WALES
BGC TECHNOLOGY BROKERAGE HOLDINGS, LLC	DELAWARE
BGC TECHNOLOGY BROKERAGE, L.P.	DELAWARE

BGC TECHNOLOGY ELX FUTURES HOLDINGS, L.P.	DELAWARE
BGC TECHNOLOGY ELX FUTURES HOLDINGS, LLC	DELAWARE
BGC TECHNOLOGY ELX HOLDINGS, L.P.	DELAWARE
BGC TECHNOLOGY ELX HOLDINGS, LLC	DELAWARE
BGC TECHNOLOGY INTERNATIONAL LIMITED	ENGLAND
BGC TECHNOLOGY MARKETS HOLDINGS, LLC	DELAWARE
BGC TECHNOLOGY MARKETS, L.P.	DELAWARE
BGC TECHNOLOGY SUPPORT SERVICES LIMITED	ENGLAND AND WALES
BGC TECHNOLOGY, LLC	DELAWARE
BGC TRADING HOLDINGS, LLC	DELAWARE
BGC URUGUAY HOLDINGS, LLC	DELAWARE
BGC USA HOLDINGS, LLC	DELAWARE
BGC USA, L.P.	DELAWARE
BGCANTOR MARKET DATA HOLDINGS, LLC	DELAWARE
BGCBI, LLC	DELAWARE
BGCCMHK HOLDINGS II, LLC	DELAWARE
BGCCMHK HOLDINGS, LLC	DELAWARE
BGCCMLP HOLDINGS, LLC	DELAWARE
BGCF HOLDINGS, LLC	DELAWARE
BGCIHLP, LLC	DELAWARE
BGCM GP LIMITED	ENGLAND AND WALES
BGCSHLLP HOLDINGS LIMITED	ENGLAND
BIP TRADING (UK) LIMITED	ENGLAND AND WALES
BIP TRADING LLP	ENGLAND AND WALES
BRAINS INC LIMITED	ENGLAND AND WALES
CENTURY CHARTERING (U.K.) LIMITED	ENGLAND AND WALES

CFI EUROPE LIMITED	ENGLAND
CFI GERMANY GMBH	GERMANY
CFI NORDIC LIMITED	ENGLAND
CHART TRADING DEVELOPMENT, LLC	TEXAS
CHINA CREDIT BGC MONEY BROKING COMPANY LIMITED (Joint Venture)	CHINA
CHRISTOPHER STREET CAPITAL LIMITED	ENGLAND AND WALES
CINCINNATI COMMERCIAL REAL ESTATE, INC.	OHIO
COMMUNICATIONS CLEARING HOUSE ASSOCIATIONS, LTD. (Not-for-Profit: 404(a) **)**	NEW YORK
COMPUTERIZED FACILITY INTEGRATION, LLC	MICHIGAN
CONVERGE TOWERS, LLC	DELAWARE
CORNISH & CAREY COMMERCIAL	CALIFORNIA
CREDITORS COLLECTIONS, LLC	DELAWARE
CSC COMMODITIES UK LIMITED	ENGLAND AND WALES
D'VEGA LIMITED	ENGLAND AND WALES
eAB HOLDINGS, LLC	DELAWARE
EIP HOLDINGS ACQUISITION, LLC	DELAWARE
EIP HOLDINGS, LLC	DELAWARE
ELX FUTURES HOLDINGS, LLC	DELAWARE
ELX FUTURES, L.P.	DELAWARE
ENERGYCURVES LLC	DELAWARE
EPSILON NETWORKS, LLC	DELAWARE
ESX CLEARING HOLDINGS, LLC	DELAWARE
ESX CLEARING, L.P.	DELAWARE
EURO BROKERS (SWITZERLAND) S.A.	SWITZERLAND
EURO BROKERS CANADA LIMITED	CANADA

EURO BROKERS HOLDINGS LTD	ENGLAND
EURO BROKERS MEXICO S.A. de C.V.	MEXICO
EXCESS SPACE RETAIL SERVICES, INC.	CALIFORNIA
FENICS LIMITED	ENGLAND AND WALES
FENICS SOFTWARE INC.	DELAWARE
FENICS SOFTWARE LIMITED	ENGLAND AND WALES
FHLP, LLC	DELAWARE
FINTAN PARTNERS SPECIALTY CREDIT GP, LLC	DELAWARE
FINTAN PARTNERS, LLC	DELAWARE
FREEDOM INTERNATIONAL BROKERAGE COMPANY	CANADA/NOVA SCOTIA
FREEDOM INTERNATIONAL HOLDING, L.P.	DELAWARE
G&E ACQUISITION COMPANY, LLC	DELAWARE
G&E APPRAISAL SERVICES, LLC	DELAWARE
G&E MANAGEMENT SERVICES, LLC	DELAWARE
G&E REAL ESTATE MANAGEMENT SERVICES, INC.	DELAWARE
G&E REAL ESTATE, INC.	DELAWARE
GFI (HK) BROKERS LIMITED	HONG KONG
GFI (HK) SECURITIES L.L.C.	NEW YORK
GFI (HK) SECURITIES LIMITED	HONG KONG
GFI ADVISORS (CHINA) Co. LIMITED	CHINA
GFI AUSTRALIA PTY LIMITED	AUSTRALIA
GFI BERMUDA LTD.	BERMUDA
GFI BROKERS (CHILE) AGENTES DE VALORES SPA	CHILE
GFI BROKERS LIMITED	ENGLAND AND WALES
GFI DEL PERU S.A.C.	PERU
GFI EMEA HOLDINGS LIMITED	ENGLAND AND WALES

GFI EXCHANGE COLOMBIA S.A.	BOGOTA, DISTRICT OF COLOMBIA
GFI FINANCE SARL	LUXEMBOURG
GFI FUTURES EXCHANGE LLC	DELAWARE
GFI GROUP DO BRASIL LTDA	BRAZIL
GFI GROUP INC.	DELAWARE
GFI GROUP INC.	DELAWARE
GFI GROUP LLC	NEW YORK
GFI GROUP MEXICO S.A. DE C.V.	MEXICO
GFI GROUP MEXICO SERVICO S. DE R.L. DE C.V.	MEXICO
GFI GROUP PERU S.A. (SAME ENTITY AS GFI DEL PERU S.A.C.??)	PERU
GFI GROUP PTE LIMITED	SINGAPORE
GFI HOLDINGS LIMITED	ENGLAND AND WALES
GFI INTERNATIONAL HOLDINGS LP	ENGLAND AND WALES
GFI KOREA MONEY BROKERAGE LIMITED	KOREA
GFI MARKETS INVESTMENTS LIMITED	ENGLAND AND WALES
GFI MARKETS LIMITED	ENGLAND AND WALES
GFI MARKETS LLC	DELAWARE
GFI NEWGATE LIMITED	ENGLAND AND WALES
GFI PARTNERS EUROPE LLP	ENGLAND AND WALES
GFI SECURITIES (SA)	ARGENTINA
GFI SECURITIES (SA) (PROPRIETARY) LIMITED	SOUTH AFRICA
GFI SECURITIES LIMITED	ENGLAND AND WALES
GFI SECURITIES LLC	DELAWARE
GFI SECURITIES LLC	NEW YORK

GFI SECURITIES NYON SARL	SWITZERLAND
GFI SECUTITIES COLOMBIA S.A.	COLUMBIA
GFI SERVICIOS CORPORATIVOS, S.A. DE C.V.	MEXICO
GFI SWAPS EXCHANGE LLC	DELAWARE
GFI TP HOLDINGS PTE. Ltd	SINGAPORE
GFI UK HOLDING LIMITED PARTNERSHIP	ENGLAND AND WALES
GFINET EUROPE LIMITED	ENGLAND AND WALES
GFINET HOLDINGS INC.	DELAWARE
GFINET INC.	DELAWARE
GFINET UK LIMITED	ENGLAND AND WALES
GFINET, INC.	DELAWARE
GFIX LLC	DELAWARE
GM CAPITAL MARKETS LIMITED	ENGLAND AND WALES
HOLDING DI SERVIZI FINANZIARI SRL	ITALY
ICE TRUST LLC	NEW YORK
ID RESOLUTION, LLC	ARIZONA
JADESTONE CONSULTANTS LIMITED	CYPRUS
JPI MERGER SUB 1, INC.	DELAWARE
JPI MERGER SUB 2, LLC	DELAWARE
JPI MERGER SUB 3, INC.	DELAWARE
KYTE CAPITAL MANAGEMENT LIMITED	ENGLAND AND WALES
KYTE FUND MANAGEMENT (UK) LIMITED	ENGLAND AND WALES
KYTE FUNDS SCP	CAYMAN ISLANDS
KYTE GROUP NOMINEES LIMITED	ENGLAND AND WALES
KYTE SECURITIES LLC	NEW YORK
LAKE SECURITIES LIMITED	ENGLAND AND WALES

LEVEL 3 ENERGY MANAGEMENT LLC	TEXAS
MARTIN BROKERS GROUP LTD.	ENGLAND AND WALES
MINT BROKERS	NEW YORK
MINT BROKERS HOLDINGS I, LLC	DELAWARE
MINT BROKERS HOLDINGS II, LLC	DELAWARE
MIS HOLDINGS, LLC	DELAWARE
NEWMARK & COMPANY REAL ESTATE, INC.	NEW YORK
NEWMARK BUILDING SERVICES, LLC	NEW YORK
NEWMARK CONSTRUCTION SERVICES, L.L.C.	NEW YORK
NEWMARK GLOBAL HOLDINGS GP LIMITED	CAYMAN ISLANDS
NEWMARK GLOBAL HOLDINGS, L.P.	CAYMAN ISLANDS
NEWMARK HOLDING LIMITED	ENGLAND AND WALES
NEWMARK INVESTOR I, LLC	DELAWARE
NEWMARK LI LLC	NEW YORK
NEWMARK MIDWEST REGION, LLC	ILLINOIS
NEWMARK OF CONNECTICUT LLC	CONNECTICUT
NEWMARK OF LONG ISLAND LLC	NEW YORK
NEWMARK OF MASSACHUSETTS LLC	MASSACHUSETTS
NEWMARK OF SOUTHERN CALIFORNIA	CALIFORNIA
NEWMARK OF WASHINGTON D.C. LLC	DISTRICT OF COLUMBIA
NEWMARK REAL ESTATE OF DALLAS, LLC	TEXAS
NEWMARK REAL ESTATE OF HOUSTON, LLC	TEXAS
NEWMARK REAL ESTATE OF MASSACHUSETTS, LLC	MASSACHUSETTS
NEWMARK REAL ESTATE OF NEW JERSEY, L.L.C.	NEW JERSEY
NEWMARK REAL ESTATE OF PRINCETON LLC	NEW JERSEY
NEWMARK RETAIL PARTNERS LLC	NEW YORK

NEWMARK RETAIL, LLC	NEW YORK
NEWMARK SOUTHERN REGION, LLC	GEORGIA
NGA, LLC	GEORGIA
NGKF GLOBAL CORPORATE SERVICES (EUROPE) LIMITED	ENGLAND AND WALES
NGKF GLOBAL CORPORATE SERVICES LIMITED	ENGLAND AND WALES
NGKF SECURITIES, LLC	DELAWARE
NNJ, L.L.C.	NEW JERSEY
NOC LLC	ILLINOIS
NOH, LLC	TEXAS
NRB, LLC	MASSACHUSETTS
NRED, LLC	TEXAS
NREP, LLC	NEW JERSEY
NWDC LLC	DISTRICT OF COLUMBIA
O.S.T.C LIMITED	ENGLAND AND WALES
O.S.T.C. FINANCIALS LTD. & O.S.T.C. POLAND ENTITIES	POLAND
O'BOYLE PROPERTIES, INC.	TEXAS
OSTC FX LIMITED	ENGLAND AND WALES
QUBED DERIVATIVES LLP	ENGLAND AND WALES
QUBITIA SOLUTIONS SL	SPAIN
REMATE (USA), INC.	NEW YORK
REMATE LINCE, S.A.P.I. de C.V.	MEXICO
REXX INDEX, LLC	CONNECTICUT
RMT EMPLOYMENT SERVICES HOLDINGS I, LLC	DELAWARE
RMT EMPLOYMENT SERVICES HOLDINGS II, LLC	DELAWARE
RMT EMPLOYMENT SERVICES, S. DE R.L. de C.V.	MEXICO

ROSS REAL ESTATE, LTD.	COLORADO
RRE GENERAL, LLC	COLORADO
SDIC THOMSON REUTERS GFI BROKERS LIMITED	CHINA
SEMINOLE CAPITAL MARKETS, L.P.	DELAWARE
SEMINOLE FINANCIAL (EUROPE) LP	ENGLAND
SEMINOLE FINANCIAL LIMITED	ENGLAND
SISTEMAS VAR	MEXICO
SMITH MACK & CO., INC.	PENNSYLVANIA
SMITH MACK HOLDINGS, INC.	PENNSYLVANIA
SMITH MACK PROPERTY MANAGEMENT CO., INC.	PENNSYLVANIA
SOUTHWEST RESIDENTIAL PARTNERS, INC.	TEXAS
STEFFNER COMMERCIAL REAL ESTATE, LLC	TENNESSEE
STERLING BROKERS LIMITED	ENGLAND
STERLING INTERNATIONAL BROKERS LIMITED	ENGLAND
TEUCRIUM TRADING, LLC	DELAWARE
TOWER BRIDGE (ONE) LIMITED	ENGLAND AND WALES
TOWER BRIDGE GP LIMITED	ENGLAND
TOWER BRIDGE INTERNATIONAL SERVICES L.P.	ENGLAND
TP HOLDINGS, LLC	DELAWARE
TRADESOFT TECHNOLOGIES, INC.	DELAWARE
TRADESPARK, L.P.	DELAWARE
TREASURYCONNECT LLC	DELAWARE
VARIANCE CAPITAL LLP	UNITED KINGDOM
VINCOREX A.G.	SWITZERLAND

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-4 No. 333-169232) of BGC Partners, Inc.,

(2) Registration Statement (Form S-3 No. 333-167953) of BGC Partners, Inc.,

(3) Registration Statement (Form S-3 No. 333-180331) of BGC Partners, Inc.,

(4) Registration Statement (Form S-3 No. 333-52154) of BGC Partners, Inc.,

(5) Registration Statement (Form S-8 No. 333-34324) of BGC Partners, Inc.,

(6) Registration Statement (Form S-8 No. 333-49056) of BGC Partners, Inc.,

(7) Registration Statement (Form S-8 No. 333-109121) of BGC Partners, Inc.,

(8) Registration Statement (Form S-8 No. 333-162362) of BGC Partners, Inc.,

(9) Registration Statement (Form S-8 No. 333-163897) of BGC Partners, Inc.,

(10) Registration Statement (Form S-3 No. 333-173109) of BGC Partners, Inc.,

(11) Registration Statement (Form S-3 No. 333-175034) of BGC Partners, Inc.,

(12) Registration Statement (Form S-8 No. 333-179555) of BGC Partners, Inc.,

(13) Registration Statement (Form S-3 No. 333-180391) of BGC Partners, Inc.,

(14) Registration Statement (Form S-3 No. 333-185110) of BGC Partners, Inc.,

(15) Registration Statement (Form S-3 No. 333-187875) of BGC Partners, Inc.,

(16) Registration Statement (Form S-8 No. 333-189179) of BGC Partners, Inc.,

(17) Registration Statement (Form S-8 No. 333-196708) of BGC Partners, Inc.,

(18) Registration Statement (Form S-3 No. 333-196999) of BGC Partners, Inc.,

(19) Registration Statement (Form S-3 No. 333-200415) of BGC Partners, Inc.,

(20) Registration Statement (Form S-4 No. 333-201325) of BGC Partners, Inc.

(21) Registration Statement (Form S-3 No. 333-204980) of BGC Partners, Inc.,

(22) Registration Statement (Form S-8 No. 333-207257) of BGC Partners, Inc.,

(23) Registration Statement (Form S-3 No. 333-207376) of BGC Partners, Inc., and

(24) Registration Statement (Form S-3 No. 333-208967) of BGC Partners, Inc.

of our reports dated February 29, 2016, with respect to the consolidated financial statements and schedule of BGC Partners, Inc. and the effectiveness of internal control over financial reporting of BGC Partners, Inc. included in this Annual Report (Form 10-K) of BGC Partners, Inc. for the year ended December 31, 2015.

/s/ Ernst & Young LLP

New York, New York
February 29, 2016

Exhibit 31.1

CERTIFICATION

I, Howard W. Lutnick, certify that:

1. I have reviewed this annual report on Form 10-K of BGC Partners, Inc. for the year ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of this disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

d. Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ HOWARD W. LUTNICK

Howard W. Lutnick
Chairman of the Board and Chief Executive Officer

Date: February 29, 2016

Exhibit 31.2

CERTIFICATION

I, Anthony Graham Sadler, certify that:

1. I have reviewed this annual report on Form 10-K of BGC Partners, Inc. for the year ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of this disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

d. Disclosed in this annual report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the Audit Committee of registrant’s Board of Directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/S/ A. GRAHAM SADLER

Anthony Graham Sadler
Chief Financial Officer

Date: February 29, 2016

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of BGC Partners, Inc., a Delaware corporation (the “Company”), on Form 10-K for the year ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof, each of Howard W. Lutnick, Chairman of the Board and Chief Executive Officer of the Company, and Anthony Graham Sadler, Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

(1) The Form 10-K fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

	/S/ HOWARD W. LUTNICK		/S/ A. GRAHAM SADLER
Name:	**Howard W. Lutnick**	**Name:**	**Anthony Graham Sadler**
Title:	**Chairman of the Board and Chief Executive Officer**	**Title:**	**Chief Financial Officer**

Date: February 29, 2016