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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Checkthe appropriate box:

☐ **Confidential, For Use Of The Commission Only (As Permitted By Rule 14a-6(e)(2))**

☐ Preliminary Proxy Statement

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

BGC Partners, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

April 24, 2017

Dear Stockholder:

You are cordially invited to attend our 2017 Annual Meeting of Stockholders, which will be held at BGC Partners, Inc., 499 Park Avenue (between 58 th and 59 th Streets), 3 rd. Floor, New York, NY 10022, on Tuesday, June 6, 2017, commencing at 10:00 a.m. (local time).

This year, we are once again taking advantage of the Securities and Exchange Commission rule that allows companies to provide their stockholders with access to proxy materials over the Internet. On or about April 24, 2017, we will begin mailing a Notice of Internet Availability of Proxy Materials to our stockholders informing them that our Proxy Statement, 2016 Annual Report and voting instructions are available online. As more fully described in that Notice, all stockholders may choose to access our proxy materials on the Internet or may request to receive paper copies of the proxy materials. This allows us to conserve natural resources and reduces the costs of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a fast and efficient manner.

At the Annual Meeting, you will be asked to consider and vote upon (i) the election of five directors; (ii) an advisory vote on executive compensation; (iii) an advisory vote on the frequency of future advisory votes on executive compensation; (iv) the approval of the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan; and (v) such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Whether or not you are able to attend the Annual Meeting in person, it is important that your shares be represented. Please vote your shares using the Internet or the designated toll-free telephone number, or by requesting a printed copy of the proxy materials and completing and returning by mail the proxy or voting instruction card you will receive in response to your request. Please refer to the section entitled “Voting via the Internet, by Telephone, or by Mail” on page 1 of the Proxy Statement for a description of these voting methods.

Sincerely,

Howard W. Lutnick
Chairman of the Board of Directors

BGC Partners, Inc.

499 Park Avenue
New York, New York 10022

Notice of 2017 Annual Meeting of Stockholders

NOTICE IS HEREBY GIVEN that our 2017 Annual Meeting of Stockholders will be held at BGC Partners, Inc., 499 Park Avenue (located between 58th and 59th Streets), 3rd Floor, New York, NY 10022, on Tuesday, June 6, 2017, commencing at 10:00 a.m. (local time), for the following purposes:

(1) To elect five (5) directors to hold office until the next Annual Meeting and until their successors are duly elected and qualified;

(2) To hold an advisory vote on executive compensation;

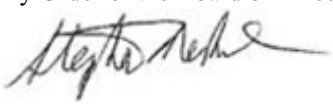
(3) To hold an advisory vote on the frequency of future advisory votes on executive compensation;

(4) To approve the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan; and

(5) To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Only holders of record of our Class A common stock or our Class B common stock at the close of business on April 10, 2017 are entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. If you plan to attend the Annual Meeting, please follow the instructions under "Attending the Meeting" beginning on page 2 of the accompanying Proxy Statement.

By Order of the Board of Directors,



STEPHEN M. MERKEL
Secretary

April 24, 2017

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, PLEASE VOTE AS PROMPTLY AS POSSIBLE USING THE INTERNET OR THE DESIGNATED TOLL-FREE TELEPHONE NUMBER OR BY REQUESTING A PAPER OR E-MAIL COPY OF THE PROXY MATERIALS AND COMPLETING AND RETURNING BY MAIL THE PROXY OR VOTING INSTRUCTION CARD YOU WILL RECEIVE IN RESPONSE TO YOUR REQUEST.

Table of Contents

BGC Partners, Inc.

499 Park Avenue
New York, New York 10022

PROXY STATEMENT

This Proxy Statement is being furnished in connection with the solicitation of proxies by and on behalf of our Board of Directors for use at the 2017 Annual Meeting of Stockholders (the "Annual Meeting") of BGC Partners, Inc. (the "Company," "BGC Partners," "BGC," "we," "us," or "our") to be held on June 6, 2017, and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of 2017 Annual Meeting of Stockholders. Our Annual Report for the fiscal year ended December 31, 2016 (the "2016 Annual Report") accompanies this Proxy Statement. The Notice of Internet Availability of Proxy Materials is expected to be mailed to stockholders on or about April 24, 2017.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 6, 2017:

On or about April 24, 2017, we will begin mailing a notice, called the Notice of Internet Availability of Proxy Materials, to our stockholders advising them that this Proxy Statement, the 2016 Annual Report and voting instructions can be accessed over the Internet at *www.proxyvote.com*. You may then access these materials over the Internet, or you may request that a printed copy of the proxy materials be sent to you. If you want to receive a paper or e-mail copy of these proxy materials, you must request one over the Internet at *www.proxyvote.com*, by calling toll free 1-800-579-1639, or by sending an e-mail to *sendmaterial@proxyvote.com*. There is no charge to you for requesting a copy. Please make your request for a copy on or before May 8, 2017 to facilitate timely delivery. If you previously elected to receive our proxy materials electronically, these materials will continue to be sent via e-mail unless you change your election.

INFORMATION ABOUT VOTING

Who Can Vote

The close of business on April 10, 2017 has been fixed as the record date (the "Record Date") for the determination of the stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. Only holders of record as of that date of shares of our Class A common stock, $0.01 par value per share (the "Class A common stock"), or of our Class B common stock, $0.01 par value per share (the "Class B common stock"), are entitled to notice of and to vote at the Annual Meeting. Our Class A common stock and our Class B common stock will vote together as a single class on all matters to come before the Annual Meeting and are sometimes collectively referred to herein as our "Common Equity."

Each share of our Class A common stock entitles the holder thereof to one vote per share on each matter presented to stockholders for approval at the Annual Meeting. Each share of our Class B common stock entitles the holder thereof to 10 votes per share on each matter presented to stockholders for approval at the Annual Meeting. The collective voting power represented by the shares of our Class A common stock and our Class B common stock issued and outstanding on the Record Date is referred to as the "Total Voting Power." On the Record Date, there were 248,827,761 shares of our Class A common stock and 34,848,107 shares of our Class B common stock, for a total of 283,675,868 shares of our Common Equity, outstanding and entitled to vote.

Voting via the Internet, by Telephone, or by Mail

Stockholders of Record

If your shares are registered directly in your name with the Company's transfer agent, American Stock Transfer & Trust Company, LLC, you are considered the "stockholder of record" of those shares and the Notice of Internet Availability of Proxy Materials is being sent directly to you by the Company. If you are a stockholder of record, you can vote your shares in one of two ways: either by proxy or in person at the Annual Meeting. If you choose to vote by proxy, you may do so by using the Internet (please visit *www.proxyvote.com* and follow the instructions), or by calling the

designated toll-free number, 1-800-690-6903, or by requesting a printed copy of our proxy materials and completing and returning by mail the proxy card you will receive in response to your request. Whichever method you use, each valid proxy received in time will be voted at the Annual Meeting in accordance with your instructions.

Beneficial Owners of Shares Held in Street Name

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the "beneficial owner" of shares held in street name, and the Notice is being forwarded to you by your broker, bank or nominee, who is considered the stockholder of record of those shares. As a beneficial owner, you have the right to direct your broker, bank or nominee on how to vote the shares held in your account. However, since you are not a stockholder of record, you may not vote these shares in person at the Annual Meeting unless you bring with you a legal proxy from the stockholder of record. A legal proxy may be obtained from your broker, bank or nominee. If you do not wish to vote in person or you will not be attending the Annual Meeting, you may vote using the Internet. Please visit *www.proxyvote.com* and follow the instructions, or, if you request printed proxy materials, you will receive voting instructions from your broker, bank or nominee describing the available processes for voting your stock.

Revocation of Proxies

A stockholder's voting on the Internet or by telephone or by completing and returning a proxy or voting instruction card will not affect such stockholder's right to attend the Annual Meeting and to vote in person. Any stockholder who votes on the Internet or by telephone or submits an executed proxy or voting instruction card has a right to revoke the proxy at any time before it is voted by taking any of the following actions:

- advising Stephen M. Merkel, our Secretary, in writing of such revocation;
- changing the stockholder's vote on the Internet or by telephone;
- executing a later-dated proxy which is presented to us at or prior to the Annual Meeting; or
- appearing at the Annual Meeting and voting in person.

Attendance at the Annual Meeting will not in and of itself constitute revocation of a proxy.

Quorum

The required quorum for the transaction of business at the Annual Meeting is a majority of the Total Voting Power, which shares must be present in person or represented by proxy at the Annual Meeting.

Broker Non-Votes

If you are a beneficial owner whose shares are held by a broker, bank or other nominee, you must instruct the broker, bank or nominee how to vote your shares. If you do not provide voting instructions, your shares will not be voted on proposals on which brokers do not have discretionary authority. This is called a "broker non-vote."

Required Vote

With respect to Proposal 1, directors are elected by a plurality of the votes cast. With respect to Proposals 2, 3 and 4, the affirmative vote of the holders of a majority of the Total Voting Power present in person or represented by proxy at the Annual Meeting and entitled to vote on the proposals is required. Withheld votes will have no effect on the vote on Proposal 1, and abstentions will have the same effect on the votes as votes against on Proposals 2, 3 and 4. Broker non-votes will have no effect on the votes on any of the proposals.

Attending the Meeting

You are entitled to attend the Annual Meeting only if you were a BGC Partners stockholder of record or a beneficial owner of shares of our Class A common stock or our Class B common stock as of the close of business on the Record Date, April 10, 2017, or you hold a valid proxy for the Annual Meeting. To gain admittance to the Annual Meeting, each eligible attendee must present a valid government issued photo identification (driver's license or passport), plus one of the following: (i) proof of stock ownership by way of a proxy card or a copy thereof; or (ii) for those who were not

stockholders of record but were beneficial owners on the Record Date, such attendee's most recent account statement reflecting stock ownership prior to April 10, 2017, or a copy of the voting instruction card provided by such stockholder's broker, bank, trustee or other nominee.

Information on how to obtain directions to attend the Annual Meeting is available at: *www.bgcpartners.com/contact-us/new-york/?printDirections=y*.

Voting Procedures for Deferral Plan Participants

Pursuant to the trust agreement governing our BGC Partners, Inc. Deferral Plan for Employees of Cantor Fitzgerald, L.P. and its Affiliates (the "Deferral Plan"), the trustee of our Deferral Plan will not, except as otherwise required by law, vote shares of our Class A common stock held in the trust as to which the trustee has not received voting instructions from Deferral Plan participants.

Other Information

Unless specified otherwise, the proxies will be voted FOR the election of all the nominees to serve as our directors, FOR the approval, on an advisory basis, of the resolution on executive compensation, FOR the approval, on an advisory basis, of every THREE YEARS as the frequency with which stockholders are provided an advisory vote on executive compensation, and FOR the approval of the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan. In the discretion of the proxy holders, the proxies will also be voted for or against such other matters as may properly come before the Annual Meeting. Management is not aware of any other matters to be presented for action at the Annual Meeting.

Our principal executive offices are located at 499 Park Avenue, New York, NY 10022, and our telephone number is (212) 610-2200.

This Proxy Statement is accompanied by the 2016 Annual Report, which includes the Company's Form 10-K for the year ended December 31, 2016 that we have previously filed with the Securities and Exchange Commission (the "SEC") and that includes our audited financial statements. We file reports, proxy statements and other information with the SEC that can be accessed through the SEC's website *(www.sec.gov*) or can be reviewed and copied at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call 1-800-SEC-0330 for further information on the Public Reference Room. In addition, our website at *www.bgcpartners.com* provides ongoing information about the Company, including documents filed by us with the SEC. To obtain documents from us, please direct requests in writing or by telephone to BGC Partners, Inc., 499 Park Avenue, 3rd Floor, New York, NY 10022, Phone: (212) 610-2200, Attention: Secretary. We will send you the requested documents without charge; however, a reasonable fee will be charged for exhibits that you request.

PROPOSAL 1—ELECTION OF DIRECTORS

Our Board of Directors is currently composed of five members. Our Board, upon recommendation of our independent directors, has nominated five persons for election as directors at the Annual Meeting. All of the nominees are currently members of our Board. Information with respect to the five nominees for election as directors is set forth below. All of the nominees are to be elected at the Annual Meeting and to serve until their successors are duly elected and qualified. All of the nominees listed below are expected to serve as directors if they are elected. If any nominee should decline or be unable to accept such nomination or to serve as a director (an event which our Board does not now expect), our Board reserves the right to nominate another person or to vote to reduce the size of our Board. In the event another person is nominated, the proxy holders intend to vote the shares to which the proxy relates for the election of the person nominated by our Board. There is no cumulative voting for directors.

Information about Directors

Name	Age	Director Since	Biographies
Howard W. Lutnick	55	1999	Mr. Lutnick is the Chairman of our Board of Directors and our Chief Executive Officer, positions in which he has served from June 1999 to the present. Mr. Lutnick joined Cantor Fitzgerald, L.P. ("Cantor") in 1983 and has served as President and Chief Executive Officer of Cantor since 1992 and as Chairman since 1996. Mr. Lutnick's company, CF Group Management, Inc., is the managing general partner of Cantor. Mr. Lutnick is a member of the Board of Directors of the Fisher Center for Alzheimer's Research Foundation at Rockefeller University, the Board of Directors of the Horace Mann School, the Board of Directors of the National September 11 Memorial & Museum, and the Board of Directors of the Partnership for New York City. In addition, Mr. Lutnick is Chairman of the supervisory board of the Electronic Liquidity Exchange, a fully electronic futures exchange. Since February 2017, Mr. Lutnick has served as Chairman of the Board and Chief Executive Officer of Rodin Global Property Trust, Inc., a newly organized corporation primarily focused on acquiring and managing single-tenant net leased commercial properties located in the United States, United Kingdom and other European countries. Mr. Lutnick served as Chairman of the Board of Directors of GFI Group Inc. ("GFI") from February 26, 2015 through the closing of our back-end merger with GFI in January 2016.
John H. Dalton	75	2002	Mr. Dalton has been a director of our Company since February 2002. In January 2005, Mr. Dalton became the President of the Housing Policy Council of the Financial Services Roundtable, a trade association composed of large financial services companies. Mr. Dalton was President of IPG Photonics Corp., a company that designs, develops and manufactures a range of advanced amplifiers and lasers for the telecom and industrial markets, from September 2000 to December 2004. Mr. Dalton served as Secretary of the Navy from July 1993 to November 1998. He also serves on the Boards of Directors of Washington FirstBank and Fresh Del Monte Produce, Inc., a producer and marketer of fresh produce.

Name	Age	Director Since	Biographies
Stephen T. Curwood	69	2009	Mr. Curwood has been a director of our Company since December 2009. Mr. Curwood has been President of the World Media Foundation, Inc., a non-profit media production company, since 1992 and Senior Managing Director of SENCAP LLC, a New York and New Hampshire-based investment group, since 2005. Mr. Curwood has been a principal of Mamawood Pty Ltd., a media holding company based in Johannesburg, with investments in South Africa, since 2005. Mr. Curwood was a member of the Board of Managers of Haverford College from 2001 to 2012, and served on the Investment Committee and as a chair of the Committee on Social Investment Responsibility. He has been a member of the Haverford College Corporation since 2000, a trustee of the Woods Hole Research Center since 1996, and a trustee of the Dover Friends Meeting (Quaker), Dover, New Hampshire since 2012. From 1996 to 2003 and 2014 to the present, Mr. Curwood has been a lecturer in Environmental Science and Public Policy at Harvard University. Mr. Curwood was a trustee of Pax World Funds, a $2.5 billion group of investment funds focused on sustainable and socially responsible investments based in Portsmouth, New Hampshire, from 2007 until 2009.
William J. Moran	75	2013	Mr. Moran has been a director of our Company since June 2013. Mr. Moran retired from JPMorgan Chase & Co. in June 2005, after serving as its Executive Vice President since 1997 and General Auditor since 1992. He served as a director of eSpeed, Inc., the Company's predecessor, from December 1999 to November 2005. Mr. Moran served as a member of the Board of Directors and as the Chairman of the Audit Committee of GFI from February 26, 2015 through the closing of our back-end merger with GFI in January 2016. Mr. Moran also served as a director of Sovereign Bancorp, Inc. from 2006 until it was acquired by Banco Santander, S.A. in 2009. He served on the Board of Directors of ELX Futures, L.P., a fully electronic exchange, from 2009 until June 2013. He also serves on the Advisory Board of the School of Management of Marist College and previously served on the Board of Directors of The College of Technology. He also previously served as a director of Lighthouse International. He is a member of the American Institute of Certified Public Accountants and the New York Society of Certified Public Accountants, and was a member of the Bank Administration Institute and the Institute of Internal Auditors.
Linda A. Bell	58	2013	Dr. Bell has been a director of our Company since July 2013. Dr. Bell has served as the Provost and Dean of the Faculty at Barnard College, Columbia University since 2012, where she is also a Professor of Economics. Prior to joining Barnard, Dr. Bell was the Provost and John B. Hurford Professor of Economics at Haverford College from 2007 and 2012 and a member of the faculty since 1992. Prior to her tenure at Haverford, Dr. Bell held visiting faculty appointments at Stanford University, the University of California, San Diego, the John F. Kennedy School of Government at Harvard University, and the Woodrow Wilson School of Public Administration at Princeton University, and has taught at the Leonard N. Stern School of Business at New York University. Dr. Bell has also served as a research fellow at the Institute for the Study of Labor (IZA) in Bonn, Germany since 2003, and as a senior consultant for the labor practice group of the National Economic Research Associates since 2006. In addition, she served on the Board of Directors and Regulatory Oversight Committee of ELX Futures, L.P. from 2009 to June 2013.

VOTE REQUIRED FOR APPROVAL

The five nominees receiving a plurality of the votes cast either in person or represented by proxy at the Annual Meeting and entitled to vote on the election of directors will be elected as directors. Withheld votes and broker non-votes will have no effect on the election of directors.

RECOMMENDATION OF OUR BOARD OF DIRECTORS

OUR BOARD OF DIRECTORS RECOMMENDS THAT ALL STOCKHOLDERS VOTE "FOR" THE ELECTION OF EACH OF THE FIVE NOMINEES FOR DIRECTOR.

Independence of Directors

Our Board of Directors has determined that each of Dr. Bell and Messrs. Curwood, Dalton and Moran qualifies as an "independent director" in accordance with the published listing requirements of the Nasdaq Stock Market, Inc. ("Nasdaq"). The Nasdaq independence definition consists of a series of objective tests, including that the director is not an officer or employee of ours and has not engaged in various types of business dealings with us. In addition, as further required by Nasdaq rules, our Board has made a subjective determination with respect to each independent director that no relationships exist which, in the opinion of our Board, would interfere with the exercise of independent judgment by each such director in carrying out the responsibilities of a director. In making these determinations, our Board has reviewed and discussed information provided by the individual directors and us with regard to each director's business and personal activities as they may relate to us and our management, including participation on any boards of other organizations in which other members of our Board are members.

Meetings and Committees of Our Board of Directors

Our Board of Directors held 16 meetings during the year ended December 31, 2016. In addition to meetings, our Board and its committees reviewed and acted upon matters by unanimous written consent from time to time.

Our Board of Directors has an Audit Committee. The members of the Audit Committee are currently Dr. Bell and Messrs. Curwood, Dalton and Moran, all of whom qualify as independent in accordance with the published listing requirements of Nasdaq. The members of the Audit Committee also each qualify as "independent" under special standards established by the SEC for members of audit committees, and the Audit Committee includes at least one member who is determined by our Board to also meet the qualifications of an "audit committee financial expert" in accordance with the SEC rules. Mr. Moran is an independent director who has been determined to be an "audit committee financial expert." The Audit Committee operates pursuant to an Audit Committee Charter, which is available at *www.bgcpartners.com/disclaimers/* under the heading "Investor Relations" or upon written request from BGC free of charge.

The Audit Committee selects our independent registered public accounting firm (our "Auditors"), consults with our Auditors and with management with regard to the adequacy of our financial reporting, internal control over financial reporting and the audit process and considers any permitted non-audit services to be performed by our Auditors. The Audit Committee also approves all related party transactions, oversees the management of our enterprise risk management program, oversees compliance with our Code of Business Conduct and Ethics, and administers our whistleblower policy, including the establishment of procedures with respect to the receipt, retention and treatment of complaints received by us regarding accounting, internal controls and auditing matters, and the anonymous submission by employees of complaints involving questionable accounting or auditing matters. The Audit Committee held 16 meetings during the year ended December 31, 2016.

During 2016, our Audit Committee engaged Ernst & Young, LLP ("Ernst & Young") to be our Auditors for the year ending December 31, 2016. Ernst & Young was also approved to perform reviews of each of our quarterly financial reports for the year ending December 31, 2016, and certain other audit-related services such as accounting consultations. Pursuant to our Audit Committee Charter, the Audit Committee will pre-approve all audit services, internal control-related services and permitted non-audit services (including the fees and other terms thereof) to be performed for us by Ernst & Young, subject to certain minimum exceptions set forth in the Charter.

Our Board of Directors also has a Compensation Committee. The members of the Compensation Committee are currently Dr. Bell and Messrs. Curwood, Dalton and Moran, all of whom are independent directors. The Compensation Committee is responsible for reviewing and approving all compensation arrangements for our executive officers and for administering the BGC Holdings, L.P. ("BGC Holdings") Participation Plan (the "Participation Plan"), our Seventh Amended and Restated BGC Partners, Inc. Long Term Incentive Plan (the "Equity Plan") and our First Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan (the "Incentive Plan"). The Compensation Committee operates pursuant to a Compensation Committee Charter, which is available at *www.bgcpartners.com/disclaimers/* or upon written request from BGC free of charge. The Compensation Committee held 12 meetings during the year ended December 31, 2016.

During 2016, no director attended fewer than 75% of the total number of meetings of the Board of Directors and the committees of which he or she was a member.

Nominating Process

Our Board of Directors does not have a separate nominating committee or committee performing similar functions and does not have a nominating committee charter. As a result, all directors participate in the consideration of director nominees recommended for selection by a majority of the independent directors as defined by the published listing requirements of Nasdaq. The Board believes that such participation of all directors is appropriate given the size of the Board and the level of participation of all of our independent directors in the nomination process. The Board will also consider qualified director candidates identified by a member of senior management or by a stockholder. However, it is our general policy to re-nominate qualified incumbent directors, and, absent special circumstances, the Board will not consider other candidates when a qualified incumbent consents to stand for re-election. A stockholder wishing to submit a recommendation for a director candidate should follow the instructions set forth in this Proxy Statement under the section below entitled "Communications with Our Board of Directors."

Our Board of Directors considers the following minimum criteria when reviewing a director nominee: (1) director candidates must have the highest character and integrity, (2) director candidates must be free of any conflict of interest which would violate applicable laws or regulations or interfere with the proper performance of the responsibilities of a director, (3) director candidates must possess substantial and significant experience which would be of particular importance in the performance of the duties of a director, (4) director candidates must have sufficient time available to devote to our affairs in order to carry out the responsibilities of a director, and (5) director candidates must have the capacity and desire to represent the best interests of our stockholders. In addition, the Board considers as one factor among many the diversity of Board candidates, which may include diversity of skills and experience as well as geographic, gender, age, and ethnic diversity. The Board does not, however, have a formal policy with regard to the consideration of diversity in identifying Board candidates. The Board screens candidates, does reference checks and conducts interviews, as appropriate. The Board does not evaluate nominees for director any differently because the nominee is or is not recommended by a stockholder.

With respect to qualifications of the members of the Board of Directors, the Board generally values the broad business experience and independent business judgment in the financial services or in other fields of each member. Specifically, Mr. Dalton is qualified as a result of his long-time government and business experience. Mr. Curwood is qualified based on his experience in the global business world and his media experience. Mr. Lutnick formerly served on the Board of Managers of Haverford College with Mr. Curwood. Mr. Moran is qualified as a result of his experience in the financial services industry, his general business experience and his status an "audit committee financial expert." Dr. Bell is qualified based on her experience as a college-level academic and manager, as an academic researcher and professor in economics, and as a former director of a fully electronic exchange.

The Board of Directors has determined that in light of Mr. Lutnick's control of the vote of our Company through his control of Cantor, having a separate Chairman and CEO is not efficient or appropriate for our Company. Additionally, the Board does not have a lead independent director.

We believe that the Company and its stockholders are best served by having Mr. Lutnick, our Chief Executive Officer, serve as Chairman of the Board of Directors. Mr. Lutnick's combined role as Chairman and Chief Executive Officer promotes unified leadership and direction for the Board and executive management, and it allows for a single, clear focus for the chain of command to execute our strategic initiatives and business plans. Our strong and independent Board effectively oversees our management and provides vigorous oversight of our business and affairs and any proposed related party transactions. The Board is composed of independent, active and effective directors. Four of our current five directors meet the independence requirements of Nasdaq, the SEC and the Board's standards for determining director independence. Mr. Lutnick is the only member of executive management who is also a director. Requiring that the Chairman of the Board be an independent director is not necessary to ensure that our Board provides independent and effective oversight of our business and affairs. Such oversight is maintained at the Company through the composition of our Board, the strong leadership of our independent directors and Board committees, and our highly effective corporate governance structures and processes.

Executive Sessions

In order to comply with Nasdaq rules, the Board of Directors has resolved that it will continue to schedule at least two meetings a year in which the independent directors will meet without the presence of Mr. Lutnick.

Annual Meetings

The Board of Directors has not adopted any specific policy with respect to the attendance of directors at Annual Meetings of Stockholders of the Company. At the 2016 Annual Meeting of Stockholders, held on June 22, 2016, all of the Company's directors were in attendance.

Communications with Our Board of Directors

Stockholders may contact any member of our Board of Directors, including to recommend a candidate for director, by addressing their correspondence to the director, c/o BGC Partners, Inc., 499 Park Avenue, New York, NY 10022, Attention: Secretary. Our Secretary will forward all such correspondence to the named director. If you wish to submit any proposal to be considered at a meeting of stockholders, please follow the instructions set forth in the section below entitled "Stockholder Proposals."

The Board's Role in Risk Oversight

Risk is an integral part of Board of Directors and Committee deliberations throughout the year. The Audit Committee oversees the management of our enterprise risk management program, and it annually reviews an assessment prepared by management of the critical risks facing us, their relative magnitude and management's actions to mitigate these risks.

Management implemented an enterprise risk management program to enhance our existing processes through an integrated effort to identify, evaluate and manage risks that may affect our ability to execute our corporate strategy and fulfill our business objectives. The activities of the enterprise risk management program entail the identification, prioritization and assessment of a broad range of risks (e.g., strategic, operational, financial, legal/regulatory, reputational and market) and the formulation of plans to mitigate their effects.

Similarly, in designing and implementing our executive compensation program, the Compensation Committee takes into consideration our operating and financial objectives, including our risk profile, and considers executive compensation decisions based in part on incentivizing our executive officers to take appropriate business risk consistent with our overall goals and risk tolerance.

Non-executive brokers, managers and other professionals in both of our business segments are generally compensated based upon production or commissions, which may involve our committing to certain transactions. These transactions may expose the Company to risks by individual employees, who are motivated to increase production. While we have in place management oversight and risk management policies, there is an inevitable conflict of interest between our compensation structure and certain trading, transactional, or similar risks on a portion of our businesses.

EXECUTIVE OFFICERS

Our executive officers are appointed annually by our Board of Directors and serve at the discretion of our Board. In addition to Mr. Lutnick, who serves as a member of the Board, our executive officers, their respective ages and positions and certain other information with respect to each of them are as follows:

Shaun D. Lynn, 54, has been our President since April 2008. Previously, Mr. Lynn had been President of BGC Partners, L.P. since 2004 and served as Executive Managing Director of Cantor from 2002 to 2004. Mr. Lynn also served as Senior Managing Director of European Government Bonds and Managing Director of Fixed Income from 1999 to 2002. From 1989 to 1999, Mr. Lynn held various business management positions at Cantor and its affiliates. Prior to joining Cantor in 1989, Mr. Lynn served as a Desk Head for Fundamental Brokers International in 1989 and was Associate Director for Purcell Graham from 1983 to 1989. Mr. Lynn is on the supervisory board of the Electronic Liquidity Exchange. Mr. Lynn served as a member of the Board of Directors of GFI from February 26, 2015 through the closing of our back-end merger with GFI in January 2016.

Stephen M. Merkel, 58, has been our Executive Vice President, General Counsel and Secretary since September 2001 and was our Senior Vice President, General Counsel and Secretary from June 1999 to September 2001. Mr. Merkel served as a director of our Company from September 2001 until October 2004. Mr. Merkel has been Executive Managing Director, General Counsel and Secretary of Cantor since December 2000 and was Senior Vice President, General Counsel and Secretary of Cantor from May 1993 to December 2000. Prior to joining Cantor, Mr. Merkel was Vice President and Assistant General Counsel of Goldman Sachs & Co. from February 1990 to May 1993. From September 1985 to January 1990, Mr. Merkel was an associate with the law firm of Paul, Weiss, Rifkind, Wharton & Garrison. Mr. Merkel is on the supervisory board of the Electronic Liquidity Exchange, and is a founding board member of the Wholesale Markets Brokers' Association, Americas. Mr. Merkel served as a member of the Board of Directors of GFI from February 26, 2015 through the closing of our back-end merger with GFI in January 2016.

Sean A. Windeatt, 43, has been our Chief Operating Officer since January 2009. Mr. Windeatt has been Executive Managing Director and Vice President of BGC Partners since 2007 and served as a Director of Cantor Fitzgerald International from 2004 to 2007. Mr. Windeatt also served as a Business Manager and member of the finance department of Cantor Fitzgerald International from 1997 to 2003.

Steven R. McMurray, 43, has been our Chief Financial Officer since April 4, 2016. From 2007 to 2016, Mr. McMurray held various positions in Amlin plc, a U.K. insurance company, most recently serving as Director of Finance from 2011 to 2016. Prior to that time, from 2003 to 2007, he was employed by the Bank of England as Chief Financial Accountant. He also served as a Senior Manager in Banking and Capital Markets at PricewaterhouseCoopers in public accounting. Mr. McMurray is a Chartered Accountant.

FORMER EXECUTIVE OFFICER

Anthony Graham Sadler, 60, served as our Chief Financial Officer from April 2009 to April 4, 2016. Previously, Mr. Sadler had been the Chief Financial Officer for Europe and Asia for both BGC Partners and Cantor. From 1997 to 2008, Mr. Sadler held various positions in Bear Stearns, serving as Chief Financial Officer and Chief Operating Officer of Bear Stearns-Europe from 2005 to 2008, and was a member of the European Executive Committee. Prior to that time, from 1983 to 1997, he was employed at Barclays Capital (and its predecessor de Zoete & Bevan) in a variety of finance positions, including two years as Director of Global Finance and two years as Divisional Director of the Markets Division. Mr. Sadler also trained with Peat Marwick Mitchell (now KPMG) in public accounting.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy

Our executive compensation program, which is under the direction and control of our Compensation Committee, is designed to integrate compensation with the achievement of our short- and long-term business objectives and to assist us in attracting, motivating and retaining the highest quality executive officers and rewarding them for superior performance. Different components of our executive compensation program are geared to short- and longer-term performance, with the goal of increasing stockholder value over the long term.

We believe the compensation of our executive officers should reflect their success in attaining key corporate objectives, such as growth or maintenance of market position, success in attracting and retaining qualified brokers and other professionals, increasing or maintaining revenues and/or profitability, developing new products and marketplaces, completing acquisitions, dispositions, restructurings, and other value-enhancing transactions and integrating any such transactions, as applicable, meeting established goals for operating earnings, earnings per share and increasing the total return for stockholders, including stock price and/or dividend increases, and maintaining and developing customer relationships and long-term competitive advantage. Executive compensation should also reflect achievement of individual managerial objectives established for specific executive officers. Specific significant events led by executives, including acquisitions, dispositions and other significant transactions, should also be given significant weight. The performance of our executives in managing our Company, considered in light of general economic and specific Company, industry and competitive conditions, should be the basis for determining their overall compensation.

Our policy is generally that the compensation of our executive officers should not be based on the short-term performance of our Class A common stock, whether favorable or unfavorable, since we believe that the price of our stock will, in the long term, reflect our overall performance and, ultimately, the management of our Company by our executives. Long-term stock performance is reflected in executive compensation through the grant of various equity and partnership awards as described below.

The Compensation Committee is aware that certain of our executive officers, including Mr. Lutnick and Mr. Merkel, also receive compensation from our affiliates, including Cantor, but it generally does not specifically review the nature or amount of such compensation. None of our executive officers has received any compensation for serving as directors of BGC or GFI.

Our Board of Directors and our Compensation Committee determined that Messrs. Lutnick, Lynn, Merkel, Windeatt and McMurray were our executive officers for 2016. Mr. McMurray replaced Graham Sadler, who retired as our Chief Financial Officer in April 2016.

Overview of Compensation and Processes

For 2016, executive compensation was composed of the following principal components: (i) a base salary, which is designed to retain talented executive officers and contribute to motivating, retaining and rewarding individual performance; (ii) an incentive bonus award under our Incentive Plan, that is intended to tie financial rewards to the achievement of our short- or longer-term performance objectives; and (iii) an incentive program under our Equity Plan and our Participation Plan, which is designed to promote the achievement of short- and long-term performance goals, and to align the long-term interests of our executive officers with those of our stockholders through the grant of awards.

From time to time, we may also restructure the existing partnership and compensation arrangements of our executive officers, as described below. We may also adopt various policies related to or in addition to such restructurings, including with respect to the grant of exchange rights, other monetization of awards, and the acceleration of the lapse of restrictions on restricted stock.

From time to time, we have also used employment agreements, change of control agreements and other arrangements, including some with specified target or guaranteed bonus components, and discretionary bonuses to attract, motivate and retain talented executives. These specific arrangements with our executive officers are summarized below.

Our Compensation Committee approves, and recommends to our Board of Directors that it approve, the salaries, bonuses and other compensation of our executive officers. In addition, the Committee approves grants to executive officers under and otherwise administers the Incentive Plan, the Equity Plan and the Participation Plan.

From time to time, our Compensation Committee has engaged a compensation consultant in connection with its compensation decisions. In 2016, Farient Advisors LLC (the "Advisor") advised the Committee. The Committee retained the Advisor to provide surveys and other information with respect to pay practices and compensation levels at our peer group and other companies, and the Committee discussed with the Advisor all compensation arrangements for 2016. While the Committee does take into consideration such peer data, the Committee does not attempt to benchmark our executive compensation against any level, range, or percentile of compensation paid at any other companies, does not apply any specific measures of internal or external pay equity in reaching its conclusions, and does not employ tally sheets, wealth accumulation, or similar tools in its analysis. Our Compensation Committee considered whether the Advisor had any conflicts of interest in advising the Committee. In doing so, the Committee considered whether the Advisor had been providing services of any other nature to the Company; the amount of fees received from the Company by the Advisor; the policies and procedures adopted by the Advisor that have been designed to prevent conflicts of interest; whether any business or personal relationships existed between the consultants employed by the Advisor who worked on Company matters and any member of the Committee; whether any business or personal relationship existed between such consultants and any of the Company's executive officers; and whether the Advisor or such consultants hold any of our Class A common stock. Upon evaluating such considerations, the Committee found no conflicts of interest in the Advisor advising the Committee.

Our policy for allocating between currently paid short- and long-term compensation is designed to ensure adequate base compensation to attract and retain talented executive officers, while providing incentives to maximize long-term value for our Company and our stockholders. Cash compensation is provided in the form of base salary to meet competitive salary norms and reward superior performance on an annual basis, and in the form of bonuses and awards for achievement of specific short-term goals or in the discretion of the Compensation Committee. Equity and partnership awards reward superior performance against specific objectives and long-term strategic goals and assist in retaining executive officers and aligning their interests with those of our Company and our stockholders. From time to time, we may provide additional equity or partnership awards on a periodic basis to reward superior performance, which awards may provide further long-term retention opportunities.

Base salaries for the following year are generally set for our executive officers at the year-end meetings of our Compensation Committee or in the early part of the applicable year. At these meetings, the Committee also approves the incentive bonuses under our Incentive Plan and any discretionary bonuses for executive officers and grants of equity and partnership awards under our Equity Plan and the Participation Plan to our executive officers.

At or around the year-end Compensation Committee meetings, our Chairman and Chief Executive Officer, Mr. Lutnick, makes compensation recommendations to the Committee with respect to the other executive officers. Such executive officers are not present at the time of these deliberations. Mr. Lutnick also makes recommendations with respect to his own compensation as Chief Executive Officer. The Committee deliberates on compensation decisions with respect to all executive officers other than Mr. Lutnick in the presence of Mr. Lutnick, and separately in executive sessions with the Advisor as to all executive officers, including Mr. Lutnick. The Committee may accept or adjust Mr. Lutnick's recommendations and makes the sole determination of the compensation of all of our executive officers. The Committee reviews and evaluates, at least annually, the performance and leadership of Mr. Lutnick as Chief Executive Officer. Based upon the results of this evaluation, and input from the Advisor, the Committee reviews and approves Mr. Lutnick's compensation.

During the first quarter of each fiscal year, it has been the practice of our Compensation Committee to establish annual incentive performance goals for executive officers under the Incentive Plan, with the Committee retaining negative discretion to reduce or withhold any bonuses earned at the end of the year. All executive officers in office at that time are eligible to participate in the Incentive Plan.

We provide long-term incentives to our executive officers through the grants of limited partnership units under the Participation Plan and exchange rights or cash settlement awards in connection with such partnership units and restricted stock and other equity grants under our Equity Plan. In addition, executive officers may receive a portion of their Incentive Plan bonuses in equity or partnership awards, rather than cash, with the number of awards determined by reference to the market price of a share of our Class A common stock on the date that the award is granted or such other date that awards to executive officers are made generally. Historically, grants under our Equity Plan and the Participation Plan that have had vesting provisions have had time-based, rather than performance-based, vesting schedules, although both plans are flexible enough to provide for performance-based awards. Our Compensation Committee has also established quarterly incentive performance goals as described below.

In designing and implementing our executive compensation program, our Compensation Committee considers our Company's operating and financial objectives, including our risk profile, and the effect that its executive compensation decisions will have on encouraging our executive officers to take an appropriate level of business, operational and market risk consistent with our overall goal of enhancing long-term stockholder value. In particular, the Committee considers those risks identified in our risk factors and the known trends and uncertainties identified in our management discussion and analysis, and considers how our executive compensation program serves to achieve our operating, financial and other strategic objectives while at the same time mitigating any incentives for our executive officers to engage in excessive risk-taking to achieve short-term results that may not be sustainable in the long term.

In attempting to strike this balance, our Compensation Committee seeks to provide our executive officers with an appropriately diversified mix of fixed and variable cash and non-cash compensation opportunities, time-based and performance-based awards, and short- and long-term incentives. In particular, our performance-based bonuses under our Incentive Plan have focused on a mix of Company-wide and product-specific operating and financial metrics, in some cases based upon our absolute performance and in other cases based upon our performance relative to our peer group or other companies. In addition, our Incentive Plan award opportunities provide for the exercise of considerable negative discretion by the Committee to reduce, but not increase, amounts granted to our executive officers under the Plan, and to take individual as well as corporate performance into account in exercising that discretion. Further, the Committee retains the discretion to pay out any amounts finally awarded under the Plan in equity or partnership awards, rather than cash, and to include restrictions on vesting, resale and forfeiture in any such equity or partnership awards. Finally, the Committee applies these same principles with respect to quarterly performance-based award opportunities for the grant of restricted stock, exchange rights or cash settlement awards under the Equity Plan relating to outstanding non-exchangeable partnership units awarded under the Participation Plan.

Discretionary and Retentive Partnership Opportunities

To incentivize executive officers and hold them accountable to stockholders, the Compensation Committee uses a variety of highly retentive BGC Holdings partnership units under the Participation Plan. These partnership awards are granted as a tax-efficient, strongly retentive, and risk-appropriate means to align the interests of the executive officers with those of our long-term stockholders. For executive officers, these grants include NPSUs, along with PSUs and PPSUs for our U.S.-based executives and LPUs and PLPUs for our U.K.-based executives who have executed deeds of adherence to BGC Services (Holdings) LLP, a U.K. limited liability partnership, which we refer to as the "U.K. Partnership." The Committee believes that the features of the units, coupled with the discretion of the Committee to grant the right of partnership distributions, exchange into shares of Class A common stock and various liquidity opportunities, create a best-in-class form of incentive award for our executives. Until such units are made exchangeable into a share of Class A common stock or exchanged for cash at the discretion of the Committee, these partnership units may be redeemed for zero by the Committee. The Committee generally does not grant options and equity-based units such as options and RSUs to executives and emphasizes instead these flexible and retentive limited partnership units. In the Committee's view, NPSUs, along with PSUs/PSUs and LPUs/PLPUs, provide the most appropriate long-term incentives to executive officers, especially when coupled with performance-based grants of exchange rights and cash settlement awards.

NPSUs have no value for accounting or other purposes at the time of grant, do not participate in quarterly partnership distributions, are not allocated any items of profit or loss and may not be made exchangeable into shares of

Class A common stock. NPSU awards are highly discretionary and provide additional flexibility for the Committee to determine the timing and circumstances of replacing such units with units that earn partnership distributions and any rights to exchange such units for shares of Class A common stock or cash. NPSUs have generally been granted to our executives as mid-year grants or in connection execution of long-term employment arrangements. See "2016 NPSU Grants and Related Replacement and Exchange Right Grants" below.

From time to time, the Compensation Committee may choose to replace an NPSU with a PSU in the U.S. or an LPU in the U.K. PSUs/LPUs participate in quarterly partnership distributions, but otherwise have no value for accounting purposes and are not exchangeable into shares of Class A common stock until such exchange rights are granted by the Committee.

Executive officers may also receive PPSUs in the U.S. or PLPUs in the U.K. These units are preferred limited partnership units that may be awarded to holders of, or contemporaneously with, the grant of PSUs. PPSUs are entitled to a preferred distribution of net profits of BGC Holdings but otherwise are not entitled to participate in quarterly distributions. PPSUs/PLPUs cannot be made exchangeable into shares of Class A common stock, can only be exchanged for cash, at the determination price on the date of grant, in connection with an exchange of the related PSUs or LPUs, respectively, and therefore are not included in our fully diluted share count. PPSUs/PLPUs are expected to provide a mechanism for issuing fewer aggregate share equivalents than traditionally issued in connection with our compensation and to have a lesser overall impact on our fully diluted share count. The ratio of the grant of PPSUs/PLPUs to traditional units (i.e., PSUs/LPUs) is expected to approximate the compensatory tax rate applicable in the relevant country jurisdiction of the partner recipient. The determination price used to exchange PPSUs/PLPUs for cash is determined by the Committee on the date the grant of such unit, and is based on a closing trading price of Class A common stock identified by the Committee on such date.

Over time, as compensation goals are met and other incentives are reached by the executives, the Compensation Committee may choose, in its sole discretion, to grant an exchange right with respect to a PSU/LPU, thereby creating a potential liquidity event for the executive and creating a value for accounting purposes. The life cycle of these units, as they may evolve from NPSUs to shares of Class A common stock, provides the Committee and the Board with superior opportunities to retain and incentivize executives and employees in a tax-efficient and discretionary manner.

Our executive officers have much of their personal net worth in a combination of our equity-based awards and non-exchangeable and exchangeable limited partnership units. Messrs. Lutnick, Lynn, Merkel, Windeatt and McMurray hold limited partnership units in BGC Holdings. Messrs. Lutnick and Merkel hold additional partnership interests in our parent Cantor, which, through ownership of shares of both our Class A and Class B common stock and exchangeable limited partnership interests in BGC Holdings, owns a 23.5% direct and indirect economic interest as of December 31, 2016 in our operations.

While we do not have a general compensation recovery or "clawback" policy, and do not require our executive officers to meet general share ownership or hold-through-retirement requirements, our Compensation Committee believes that the extremely retentive nature of the NPSUs, PSUs/LPUs and similar partnership units, which may be redeemed for zero at any time by the Compensation Committee, provides extraordinary discretion and superior clawback power to the Compensation Committee.

We generally intend that compensation paid to our Chief Executive Officer and our other named executive officers not be subject to the limitation on tax deductibility under Section 162(m) of the U.S. Internal Revenue Code of 1986, which we refer to as the "Code," so long as this can be achieved in a manner consistent with our Compensation Committee's other objectives. Subject to certain exceptions, Section 162(m) eliminates a corporation's tax deduction in a given year for payments to certain executive officers in excess of $1,000,000, unless the payments are qualified "performance-based" compensation as defined in Section 162(m). We periodically review the potential consequences of Section 162(m) and may structure the performance-based portion of our executive compensation to comply with certain performance-based exemptions in Section 162(m). However, the Committee retains negative discretion to reduce or withhold performance-based compensation to our executive officers, and also reserves the right to use its judgment to authorize compensation payments that do not comply with the exemptions in Section 162(m) when it believes that such payments are appropriate, including after taking into consideration changing business conditions or the executive officer's individual performance.

Our management and Compensation Committee recognize that we are subject to certain Financial Accounting Standards Board and SEC guidance on share-based awards and other accounting charges with respect to the compensation of our executive officers and other employees. However, our management and the Committee do not believe that these accounting charges should necessarily determine the appropriate types and levels of compensation to be made available. Where material to the Committee's decisions, these accounting charges will be described in our compensation discussion and analysis, compensation tables and related narratives.

Our Compensation Committee may grant equity and partnership awards to our executive officers in a variety of ways under our Equity Plan and the Participation Plan, including restricted stock, exchange rights, cash settlement awards and other equity grants under our Equity Plan and non-exchangeable limited partnership unit awards under the Participation Plan. Grants of such awards may have different accounting treatment and may be reported differently in the compensation tables and related narratives depending upon the type of award granted and how and when it is granted.

For U.S. GAAP purposes, a compensation charge is recorded on PSUs, LPUs and similar limited partnership units if and when an exchange right is granted relating to the units, and the charge is based on the market price of our Class A common stock on the date on which the exchange right is granted. Additionally, when the exchange actually occurs, a U.S. federal income tax deduction is generally allowed equal to the fair market value of a share of our Class A common stock on the date of exchange.

For U.S. GAAP purposes, if shares of restricted stock granted are not subject to continued employment or service with us or any affiliate or subsidiary of ours, even if they are subject to compliance with our customary non-compete obligations, the grant-date fair value of the restricted stock will be expensed on the date of grant.

Base Salary

Our executive officers receive base salaries or similar cash payments intended to reflect their skills, expertise and responsibilities. Subject to any applicable employment or other agreements, such payments and subsequent adjustments, if any, will be reviewed and approved by our Compensation Committee annually, based on a variety of factors, which may include, from time to time, a review of relevant salaries of executives at our peer group of companies and others and each executive officer's individual performance for the prior year, including each executive officer's experience and responsibilities.

We generally establish base pay at levels comparable to our peer group and other companies which employ similarly skilled personnel, including E*Trade Financial Corporation, Evercore Partners Inc., Houlihan Lokey, Inc., Interactive Brokers Group, KCG Holdings, Inc., Ladenburg Thalmann Financial Services, LPL Financial Holdings Inc., Raymond James Financial, Inc., The Charles Schwab Corporation, Stifel Financial Corp. and TP ICAP plc in our Financial Services segment and CBRE Group, Inc., Jones Lang LaSalle Incorporated and Realogy Holdings Corp. in our Real Estate Services segment. While we determine these levels by reviewing publicly available information with respect to our peer group of companies and others, we have not traditionally engaged in benchmarking.

Base Salaries/Payments for 2016

Base salary and similar cash payment rates for 2016 were established in February 2016 by our Compensation Committee. In setting the base rates for 2016, the Committee considered the qualifications, experience and responsibilities of our executive officers. Base rates for 2016 were continued at $1,000,000 each for Messrs. Lutnick, Lynn and Merkel. The base rate for Mr. Windeatt for 2016 was continued £400,000 ($577,500 as of February 11, 2016). The base rate for Mr. McMurray was established on April 4, 2016 at £325,000 ($464,000 as of April 4, 2016).

Typically, Mr. Lutnick and Mr. Merkel spend at least 50% of their time on Company matters, although these percentages had varied depending upon business developments at the Company. Messrs. Lynn and Windeatt each spend all of their time on Company matters. McMurray spends almost all of his time on Company matters.

Base Salaries/Payments for 2017

Base salary and similar cash payment rates for 2017 were established in January 2017 by our Compensation Committee, based on the continuing qualifications, experience and responsibilities of our executive officers. Base rates for 2017 were continued at $1,000,000 each for Messrs. Lutnick, Lynn and Merkel. The base rates for Messrs. Windeatt and McMurray for 2017 were continued at £400,000 ($503,280 as of January 31, 2017) and £325,000 ($408,882 as of January 31, 2017), respectively.

Bonus Compensation

We believe that compensation should vary with corporate and individual performance and that a significant portion of compensation should continue to be linked to the achievement of business goals. Our Incentive Plan provides a means for the payment of Section 162(m) qualified "performance-based" compensation in the form of bonuses to our executive officers while preserving our tax deduction.

With respect to each performance period, our Compensation Committee specifies the applicable performance criteria and targets to be used under the Incentive Plan for that performance period. These performance criteria, which may vary from participant to participant, will be determined by the Committee and may be based upon one or more of the following financial performance measures:

- pre-tax or after-tax net income;
- pre-tax or after-tax operating income;
- gross revenue;
- profit margin;
- stock price, dividends and/or total stockholder return;
- cash flow(s);
- market share;
- pre-tax or after-tax earnings per share;
- pre-tax or after-tax operating earnings per share;
- expenses;
- return on equity; or
- strategic business criteria, consisting of one or more objectives based upon meeting specific revenue, market penetration, or geographic business expansion goals, cost targets and goals relating to acquisitions or dispositions.

The actual Incentive Plan bonus paid to any given participant at the end of a performance period is based upon the extent to which the applicable performance goals for such performance period are achieved, subject to the exercise of negative discretion by the Committee, and may be paid in cash or in equity or partnership awards. These awards also serve as incentives for future performance and retention.

In addition, from time to time, our Compensation Committee may provide for target or guaranteed bonuses in employment or other agreements in order to attract and retain talented executives, or may grant ad hoc discretionary bonuses when an executive officer is not eligible to participate in the Incentive Plan award opportunities for that performance period or when it otherwise considers such bonuses to be appropriate. Such bonuses may also be paid in cash or in equity or partnership awards.

Incentive Plan Bonus Goals for 2016

In the first quarter of 2016, our Compensation Committee determined that the executive officers of our Company at the time, Messrs. Lutnick, Lynn, Merkel, Windeatt and our incoming CFO, Mr. McMurray, who joined us on April 4,

2016, would be participating executives for 2016 in our Incentive Plan. In the case of our U.K.-based executive officers, Messrs. Lynn, Windeatt and McMurray, the bonus award opportunities are governed by the Incentive Plan and administered by our Compensation Committee.

For 2016, the Compensation Committee used the same performance criteria for all executive officers and set individual bonus opportunities for 2016 equal to the maximum value allowed for each individual pursuant to the terms of the Incentive Plan (i.e., $25 million), provided that (i) the Company achieves operating profits or distributable earnings for 2016, as calculated on substantially the same basis as the Company's financial results press release for 2015, or (ii) the Company achieves improvement or percentage growth in gross revenue or total transaction volumes for any product for 2016 as compared to 2015 over any of its peer group members or industry measures, as reported in the Company's 2016 financial results press release, in each case calculated on substantially the same basis as in the Company's financial results press release for 2015 and compared to the most recently available peer group information or industry measures, each of which we refer to as a "Performance Goal." The Committee determined that the payment of any such amount may be in the form of cash, shares of our Class A common stock, limited partnership units, or other equity or partnership awards permitted under our Equity Plan, the Participation Plan, or otherwise. The Committee retained the right to reduce the amount of any Incentive Plan bonus payment based upon any factors it determines in its sole discretion.

Incentive Plan Bonuses Awarded for 2016

On January 31, 2017, having determined that the Performance Goals established in the first quarter of 2016 had been met for 2016, our Compensation Committee made the following awards to the participating executive officers under our Incentive Plan for 2016: These awards were also expected to incentivize our executive officers with respect to future performance and encourage ongoing contributions to our businesses:

- Mr. Lutnick: a bonus under the Incentive Plan of $12,750,000, paid $3,000,000 in cash and $9,750,000 in a partnership award represented by 634,146 non-exchangeable PSUs and 246,612 non-exchangeable PPSUs effective on January 1, 2017;
- Mr. Lynn: a bonus under the Incentive Plan of $7,250,000, paid entirely in a partnership award represented by 471,545 non-exchangeable LPUs and 183,379 non-exchangeable PLPUs effective on January 1, 2017;
- Mr. Merkel: a bonus under the Incentive Plan of $1,750,000, paid entirely in a partnership award represented by 86,947 non-exchangeable PSUs and 71,138 non-exchangeable PPSUs effective on January 1, 2017;
- Mr. Windeatt: a bonus under the Incentive Plan of £850,000 ($1,069,385 as of January 31, 2017), paid entirely in a partnership award represented by 69,553 non-exchangeable LPUs and 27,049 non-exchangeable PLPUs effective on January 1, 2017; and
- Mr. McMurray: a bonus under the Incentive Plan of £425,000 ($534,692 as of January 31, 2017), paid entirely in a partnership award represented by 34,777 non-exchangeable LPUs and 13,524 non-exchangeable PLPUs effective on January 1, 2017.

In making its bonus determinations for 2016, the Compensation Committee considered the pay practices of the Company's peer group and other companies, including a compensation survey prepared by, and advice from, the Advisor. In particular, it also considered record stock and earnings performance, significant transactions, including the entry into the insurance brokerage vertical, and expense reductions, integration of acquired businesses, individual contributions toward achievement of strategic goals and overall financial and operating results, including record earnings increases and overall results for the period.

The bonuses for 2016 awarded to Messrs. Lynn, Windeatt and Merkel represented the same bonus amounts that they received for 2015.The bonus for Mr. Lutnick represented a $1,000,000 increase over the prior year, an approximate 9% increase. In determining the 2016 Incentive Plan bonus for Mr. Lutnick, our Compensation Committee also focused specifically on the Company's record financial performance, performance of the real estate business, acquisitions, including GFI and related ongoing cost reductions, opportunities in a new insurance brokerage vertical and overall leadership. In awarding Mr. Lynn a $7,250,000 bonus under the Incentive Plan for 2016, the Committee considered our overall performance in 2016 and his role in connection with acquisitions, including the new insurance brokerage vertical, the integration of GFI and cost-cutting initiatives. With respect to Mr. Merkel, in awarding him a 2016 bonus under the Incentive Plan of $1,750,000, the Committee considered his role in connection with the strategy and management of various legal matters and his overall leadership.

In awarding Mr. Windeatt a £850,000 bonus under the Incentive Plan for 2016, the Committee considered our overall performance in 2016, as well as his efforts to cut costs following the GFI acquisition and his management of front-office brokers. In awarding Mr. McMurray a £425,000 bonus under the Incentive Plan for 2016, the Committee considered his efforts during the first year of his agreement and his role in various new initiatives.

In 2016, the Incentive Plan cash bonus for Mr. Lutnick as a percentage of the overall total cash compensation paid to such executive officer by the Company was approximately 23%. The 2016 Incentive Plan bonuses for Messrs. Merkel, Lynn, Windeatt and McMurray were paid entirely in the form of partnership awards.

Incentive Plan Bonus Goals for 2017

In the first quarter of 2017, our Compensation Committee determined that Messrs. Lutnick, Lynn, Merkel, Windeatt and McMurray, our executive officers, would be participating executives for 2017 in our Incentive Plan, subject to stockholder approval of the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan at the Annual Meeting. For 2017, the Committee used the same performance criteria for all executive officers and set a bonus for 2017 equal to the maximum value allowed for each individual pursuant to the terms of the Incentive Plan (i.e., $25 million), provided that (i) the Company achieves operating profits or distributable earnings for 2017, as calculated on substantially the same basis as the Company's financial results press release for 2016, or (ii) the Company achieves improvement or percentage growth in gross revenue or total transaction volumes for any product for 2017 as compared to 2016 over any of its peer group members or industry measures, as reported in the Company's 2017 financial results press release, in each case calculated on substantially the same basis as in the Company's financial results press release for 2016 and compared to the most recently available peer group information or industry measures, in each case subject to any appropriate corporate adjustment to reflect stock splits, reverse stock splits, mergers, spin offs or any other extraordinary corporate transactions in accordance with the Incentive Plan, the Equity Plan and the Participation Plan, as applicable.

The Compensation Committee determined that the payment of any such amount may be in the form of cash, shares of our Class A common stock, limited partnership units or other equity or partnership awards permitted under our Equity Plan, the Participation Plan, or otherwise. The Committee, in its sole and absolute discretion, retained the right to reduce the amount of any Incentive Plan bonus payment based upon any factors it determines, including whether and the extent to which the Performance Goals or any other corporate, as well as individual, performance objectives have been achieved.

Equity Plan and Participation Plan Awards

It is the Compensation Committee's general policy to award restricted stock, exchange rights, awards that are repurchased for cash, which we refer to as "cash settlement awards," and other equity or partnership awards to our executive officers in order to align their interests with those of our long-term investors and to help attract and retain qualified individuals. Our Equity Plan permits our Compensation Committee to grant restricted stock, stock options, stock appreciation rights, deferred stock such as RSUs, bonus stock, performance awards, dividend equivalents, and other stock-based awards, including to provide exchange rights for shares of our Class A common stock and cash settlement awards relating to BGC Holdings limited partnership units. The Participation Plan provides for the grant or sale of BGC Holdings limited partnership units. The total number of BGC Holdings limited partnership units issuable under the Participation Plan will be determined from time to time by our Board of Directors, provided that exchange rights or cash settlement awards relating to units may only be granted pursuant to other stock-based awards granted under our Equity Plan. Partnership units in BGC Holdings (other than NPSUs) are entitled to participate in preferred or quarterly partnership distributions from BGC Holdings and (other than preferred units and NPSUs) are eligible to be made exchangeable for shares of Class A common stock. We view these incentives as an effective tool in motivating, rewarding and retaining our executive officers.

Our Compensation Committee retains the right to grant a combination of forms of such awards under our Equity Plan and the Participation Plan to executive officers as it considers appropriate or to differentiate among executive officers with respect to different types of awards. The Committee has also granted authority to Mr. Lutnick, our Chairman and Chief Executive Officer, to grant awards to non-executive officer employees of our Company under the Equity Plan and the Participation Plan and to establish sub-plans for such persons.

In addition, our executive officers and other employees may also be offered the opportunity to purchase limited partnership units. The Committee and Mr. Lutnick will have the discretion to determine the price of any purchase right for partnership units, which may be set at preferential or historical prices that are less than the prevailing market price of our Class A common stock.

Our Compensation Committee has also established special quarterly award opportunities under our Equity Plan for the grant of exchange rights and/or cash settlement awards under the Equity Plan relating to outstanding non-exchangeable limited partnership units awarded under the Participation Plan. The Committee establishes specified performance goals for the quarter similar to the annual opportunities under the Incentive Plan. In each case, such quarterly award opportunities are subject to the Committee's determination of whether such goals have been met and the Committee's exercise of negative discretion. Although the quarterly performance goals were met with respect to all four quarters of 2016, our Compensation Committee elected not to grant any quarterly awards or exchange rights under our Equity Plan, except with respect to Mr. Merkel's November 2016 grants of certain exchange rights as described below.

Timing of Awards

Equity and partnership awards to our executive officers that are in payment of Incentive Plan or discretionary bonuses are typically granted annually in conjunction with our Compensation Committee's review of Company and individual performance of our executive officers, although interim grants may be considered and approved from time to time. The Committee's annual review generally takes place at year-end meetings, which are generally held in January or February of each year, although the reviews may be held at any time and from time to time throughout the year. From time to time, grants to executive officers may be made on a mid-year or other basis in the event of business developments, changing compensation requirements or other factors, in the discretion of the Committee.

Our policy in recent years has generally been to award year-end grants to executive officer recipients by the end of the calendar year or shortly thereafter, with grants to non-executive employees occurring closer to the end of the first quarter of the following year. Grants, if any, to newly hired employees are effective on the employee's first day of employment. In addition, from time to time the Company may offer compensation enhancements or modifications to employees that it does not offer to its executive officers.

The exercise price of all stock options is set at the closing price of our Class A common stock on Nasdaq on the date of grant. As discussed above, with respect to limited partnership units and other equity or partnership awards, grants may be made based on a dollar value, with the number of units or shares determined by reference to the market price of our Class A common stock on the date of grant, or based on a specified number of awards.

2016 NPSU Grants and Related Replacement and Exchange Right Grants

During 2014, 2015 and 2016, the Compensation Committee has made additional discretionary NPSU awards to all of our executive officers, with the exception of Mr. McMurray, who joined us in 2016. The Compensation Committee granted the following NPSUs and replaced such NPSUs with other partnership units in calendar 2016 and 2017:

2015 Year-End Compensation: On February 24, 2016, in connection with the year-end compensation process, the Compensation Committee granted 1,500,000 NPSUs to Mr. Lutnick, 2,000,000 NPSUs to Mr. Lynn, 1,000,000 NPSUs to Mr. Merkel and 75,000 NPSUs to Mr. Windeatt. Replacement of NPSUs with non-exchangeable PSUs/PPSUs for Messrs. Lutnick and Merkel and with non-exchangeable LPUs/PLPUs for Messrs. Lynn and Windeatt were determined to be (i) 25% per year with respect to NPSUs granted in 2016; (ii) 25% of the previously awarded NPSUs currently held by Messrs. Lutnick and Lynn based upon the original issuance date (the first 25% having already been replaced); and (iii) 25% per year of the current balance of NPSUs previously awarded to Mr. Merkel, provided that, with respect to all of the foregoing, such future replacements were subject to the approval of the Compensation Committee (with such approval process amended in 2017 as described below). 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, and any grants of exchangeability shall be subject to the approval of the Compensation Committee.

Amendments to Merkel NPSUs: On November 7, 2016, the Compensation Committee approved a grant of 200,000 non-exchangeable PSUs/PPSUs to Mr. Merkel in replacement of 200,000 NPSUs previously granted to him on or about each of the following dates, provided that the Company and its affiliates earn, in aggregate, at least $25 million in gross revenues in the calendar quarter in which the PSUs/PPSUs are to be granted: (i) December 1, 2016 and (ii) each March 31 of 2017 through 2020 (for an aggregate total of 1,000,000 non-exchangeable PSUs/PPSUs). In connection with the foregoing, Mr. Merkel agreed to surrender a total of 1,714,826 previously granted NPSUs.

Each grant of such non-exchangeable PSUs/PPSUs is subject to Mr. Merkel's continued employment and compliance with the Partnership Agreement as of the applicable grant date. The number of PSUs and PPSUs issuable on each grant date shall be determined by reference to the then-applicable practices for U.S.-based partners when determining the proportionality of PSUs/PPSUs (currently 55% in PSUs and 45% in PPSUs). The determination price of the PPSUs upon grant shall be the closing price of our Class A common stock on the applicable grant dates. In addition to the foregoing grants of PSUs/PPSUs in replacement of NPSUs, the Compensation Committee granted: (i) effective November 7, 2016, exchange rights with respect to 110,000 of Mr. Merkel's previously issued non-exchangeable PSUs and 90,000 of Mr. Merkel's previously issued non-exchangeable PPSUs, and (ii) effective on or about each February 28 of 2017 through 2020, exchange rights for 200,000 of Mr. Merkel's then non-exchangeable PSU/PPSUs (the proportion of PSUs to PPSUs shall be in accordance with their issuance), subject to Mr. Merkel's continued employment and compliance with the Partnership Agreement as of the applicable exchangeability date (for an aggregate total of 1 million exchangeable PSUs/PPSUs).

The Compensation Committee also agreed to the repurchase by the Company of (i) the 110,000 exchangeable PSUs for an aggregate of $952,600, based on the closing price of the Company's Class A common stock on November 7, 2016, and (ii) the 90,000 exchangeable PPSUs for an aggregate of $773,599, at the weighted-average determination price for such PPSUs at the time of grant, which was $8.60 per unit.

As a result of the foregoing schedule, Mr. Merkel did not receive additional grants of exchange rights as part of his 2016 year-end compensation. Consistent with the previously approved schedule, effective February 28, 2017, the Compensation Committee approved (i) the grant of exchange rights with respect to 110,000 PSUs and 90,000 PPSUs held by Mr. Merkel; and (ii) the Company's redemption for cash of such 110,000 PSUs at the average price that the Company received for sales of Class A common stock sold under the Controlled Equity Offering sales program on the date of approval, less 2%, for an aggregate of $1,216,911, and such 90,000 PPSUs at the applicable determination price of $9.41 per PPSU, for an aggregate of $847,033.

2016 Lynn Grants in Connection with New Deed: On December 14, 2016, in connection with his execution of the New Lynn Deed (defined below) and a related letter agreement, the Compensation Committee granted 1,000,000 NPSUs and 3,500,000 non-exchangeable LPUs to Mr. Lynn effective as of October 1, 2016. The 1,000,000 NPSUs shall be replaced by non-exchangeable LPUs ratably (in installments of 250,000 each) effective October 1 of 2017, 2018, 2019 and 2020, subject to the terms of the letter agreement, including the Revenue Requirement (as defined below). See "Shaun Lynn Agreements" below.

2016 Year-End Compensation: On January 31, 2017, in connection with 2016 year-end compensation, certain previous awards of NPSUs vesting on January 1, 2017 were replaced with non-exchangeable PSUs/PPSUs (for Mr. Lutnick) and non-exchangeable LPUs/PLPUs (for Messrs. Lynn and Windeatt), all effective January 1, 2017, with the determination price of each PPSU and PLPU based on the closing price of our Class A common stock on December 30, 2016, which was $10.23. As a result, effective as of January 1, 2017, (a) 2,375,000 of Mr. Lutnick's NPSUs were replaced with 1,710,000 non-exchangeable PSUs and 665,000 non-exchangeable PPSUs; (b) 750,000 of Mr. Lynn's NPSUs were replaced with 540,000 non-exchangeable LPUs and 210,000 non-exchangeable PLPUs; and (c) 18,750 of Mr. Windeatt's NPSUs were replaced with 13,500 non-exchangeable LPUs and 5,250 non-exchangeable PLPUs.

In January 2017, the requirement of further approval of the Compensation Committee to replace the NPSUs as described above was amended and changed into the requirement that the Company, inclusive of affiliates thereof, earn, in aggregate, at least $5 million in gross revenues in the calendar quarter in which the applicable award of non-exchangeable PSUs/PPSUs/LPUs/PLPUs is to be granted, and such executive remaining an employee or member of an affiliate of BGC and having complied at all times with his applicable employment or membership agreement and the Partnership Agreement as of the applicable grant date (collectively, the "Revenue Requirement").

2017 Windeatt Grants in Connection with New Deed: On January 31, 2017, in connection with his execution of the New Windeatt Deed (defined below) and a related letter agreement, the Compensation Committee granted 400,000 NPSUs and 100,000 LPSUs to Mr. Windeatt effective as of February 24, 2017. The 400,000 NPSUs shall be replaced by LPUs ratably (in installments of 100,000 each) on or about each April 1 of 2018, 2019, 2020, and 2021, subject to the terms of the letter agreement, including the Revenue Requirement. See "Sean Windeatt Agreements" below.

With respect to all of such awards, any grant of exchange rights with respect to any PSUs/PPSUs and LPUs/PLPUs issued in replacement of NPSUs will be determined in accordance with the Company's practices when determining discretionary bonuses or awards, and any grants of exchangeability shall be subject to the approval of the Compensation Committee. In addition, upon the signing of any agreement that would result in a "Change in Control" (as defined in the Amended and Restated Change in Control Agreements entered into by Messrs. Lutnick and Merkel and the applicable Deeds of Adherence entered into by Messrs. Lynn and Windeatt), (1) any NPSUs held by the foregoing executives shall be replaced by 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 and LPUs/PLPUs held by the foregoing executives shall become immediately exchangeable, which exchangeability may be exercised in connection with such "Change in Control," except that, with respect to (1) and (2), 9.75% of Mr. Lynn's and Mr. Windeatt'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. See "Change in Control Agreements" and "Employment Agreements and Deeds of Adherence" for more information.

As of March 31, 2017, the executive officers currently have the following NPSUs outstanding: Mr. Lutnick: 3,800,000, Mr. Lynn: 3,000,000; Mr. Merkel: 0, Mr. Windeatt: 456,250; Mr. McMurray: 0.

Global Partnership Restructuring Program

Beginning at the end of the second quarter of 2013 and continuing through 2016, we continued a global partnership redemption and compensation restructuring program (the "Global Partnership Restructuring Program") to enhance our employment arrangements by leveraging our unique partnership structure. Under this Program, participating partners have generally agreed to extend the lengths of their employment agreements, to accept a larger portion of their compensation in limited partnership units and to other contractual modifications sought by us. Also as part of this program, we have redeemed limited partnership units for cash and/or other units or shares of stock, including restricted stock (subject to accelerated lapse of restrictions on transferability), and granted exchange rights relating to certain non-exchangeable units. This Program allows us to reward those who provide service to us and our subsidiaries, and to provide enhanced retention incentives to such employees, reduce our fully diluted share count and allow us to take advantage of certain tax efficiencies.

The shares of restricted stock previously granted to the executive officers generally have all of the rights of a holder of shares of Class A common stock. The shares of restricted stock will become transferable in 10 years, subject to acceleration. The shares of restricted stock are not subject to continued employment or service with the Company or any of its affiliates or subsidiaries or other risk of forfeiture, except that the shares are subject to forfeiture (if not then already transferable) if the executive officer competes during his service or employment term or during the four years thereafter.

On February 24, 2016, the Compensation Committee approved the acceleration of the lapse of restrictions on transferability with respect to 612,958 shares of restricted stock held by our executive officers as follows: Mr. Lynn, 431,782 shares; Mr. Merkel, 150,382 shares; and Mr. Sadler, 30,794 shares. On February 24, 2016, Messrs. Lynn and Sadler sold these shares to us at $8.40 per share, and Mr. Merkel sold 120,000 of such shares to us at $8.40 per share. In connection with such transaction, 64,787 of Mr. Lynn's and 4,621 of Mr. Sadler's partnership units were redeemed for zero.

On January 31, 2017, the Compensation Committee approved the acceleration of the lapse of restrictions on transferability with respect to 167,654 shares of restricted stock held by Mr. Lynn. On the same date, the Company repurchased the shares from Mr. Lynn at $11.07 per share, the closing price of our Class A common stock on such date.

In connection with such transaction, 25,156 of Mr. Lynn's non-exchangeable LPUs were redeemed for zero. In addition, on January 31, 2017, the Compensation Committee redeemed for cash 180,115 of Mr. Lynn's non-exchangeable LPUs at the average price that the Company received for sales of Class A common stock sold under the Controlled Equity Offering sales program on the date of approval, less 2%, for an aggregate of $1,958,641, and 70,045 non-exchangeable PLPUs at a determination price of $6.51, for an aggregate of $455,993. In connection with such redemptions from Mr. Lynn, 9,480 of his non-exchangeable LPUs and 3,687 of his non-exchangeable PLPUs at a determination price of $6.51 were redeemed for zero.

On the same date, the Compensation Committee approved the redemption for cash of 46,469 of Mr. Windeatt's non-exchangeable LPUs at $10.87 per unit based on the average proceeds of the sale of shares under our Controlled Equity Offering less 2%, for an aggregate of $505,322, 14,866 non-exchangeable PLPUs were redeemed at a determination price of $6.51 per PLPU, for an aggregate of $96,778, and 3,206 non-exchangeable PLPUs were redeemed at a determination price of $7.83 per unit, for an aggregate of $25,103. In connection with these transactions, 2,902 non-exchangeable LPUs, 782 non-exchangeable PLPUs with a determination price of $6.51, and 347 non-exchangeable PLPUs with a determination price of $7.38 were redeemed for zero.

See also our repurchases of units held by Mr. Merkel as set forth above under "2016 NPSU Grants and Related Replacement and Exchange Right Grants."

On the same date, the Compensation Committee approved the redemption for cash of certain of Mr. McMurray's non-exchangeable LPUs and non-exchangeable PLPUs effective April 1, 2017. On April 1, 2017, the Company redeemed 17,115 of Mr. McMurray's non-exchangeable LPUs for an aggregate of $188,634, based on the average price that the Company received for sales of Class A common stock sold under the Controlled Equity Offering sales program on such date, less 2%. The Company also redeemed 6,656 non-exchangeable PLPUs at a determination price of $11.07 per unit, for an aggregate of $73,682. In connection with the redemption from Mr. McMurray, 1,849 of his non-exchangeable LPUs and 719 of his non-exchangeable PLPUs with a determination price of $11.07 were redeemed for zero.

Standing Policy for Mr. Lutnick

In December 2010, as amended in 2013, the Audit Committee and the Compensation Committee approved a standing policy that gives Mr. Lutnick the same right, subject to certain conditions, to accept or waive opportunities that have previously been offered, or that may be offered in the future, to other executive officers to participate in any opportunity to monetize or otherwise provide liquidity with respect to some or all of their non-exchangeable limited partnership units or to accelerate the lapse of or eliminate any restrictions on transferability with respect to shares of restricted stock. In January 2017, the policy was further amended to include recent executive awards such as transactions that monetize and/or provide liquidity of equity or partnership awards granted to the Company's executive officers, including the right to exchange non-distribution earning units such as NPSUs into distribution earning units such as PSUs, or convert preferred units such as PPSUs into regular, non-preferred units, such as PSUs, based upon the highest percentage of distribution earning awards and in the same proportion of regular to preferred units held by another executive.

The policy provides generally that Mr. Lutnick shall be treated no less favorably than, and in proportion to, any other executive officer with respect to the change, right or modification of equity or partnership awards, which include, but are not limited to, opportunities (i) to have non-exchangeable units replaced by other non-exchangeable units; (ii) to have non-exchangeable units received upon such replacement redeemed by BGC Holdings for cash, or, with the concurrence of Cantor, granted exchange rights for shares of Class A common stock; (iii) to accelerate the lapse of or eliminate any restrictions on transferability with respect to restricted shares of Class A common stock; and (iv) to replace non-distributing units with distributing units and replace preferred units with non-preferred units.

Under the policy, Mr. Lutnick shall have the right to accept or waive in advance some or all of the foregoing offers of opportunities that the Company may offer to any other executive officer. In each case, Mr. Lutnick's right to accept or waive any opportunity offered to him to participate in any such opportunity shall be cumulative (and, accordingly, Mr. Lutnick would again have the right to accept or waive the opportunity to participate with respect to such portion previously waived if and when any additional opportunity is offered to any other executive officer) and shall be equal to

the greatest proportion of outstanding units and the greatest percentage of shares of restricted stock with respect to which any other executive officer has been or is offered with respect to all of such opportunities. This policy may result in grants to him of exchange rights/cash settlement awards or the acceleration of the lapse of restrictions on transferability of shares of restricted stock owned by him if a future triggering event under the policy occurs.

Under this policy, in February 2016, the Company granted exchange rights and/or accelerated the lapse of transfer restrictions on shares of restricted stock with respect to 2,127,648 rights available to Mr. Lutnick, which amount included the grant of exchange rights for 1,040,760 PSUs and 851,530 PPSUs and the lapse of transfer restrictions with respect to 235,357 shares of restricted stock held by him, which were all of such rights available to him at such time. Mr. Lutnick has not transferred or exchanged such shares or units as of the date hereof.

On January 31, 2017, under the policy, the Compensation Committee granted exchange rights with respect to rights available to Mr. Lutnick with respect to some of his of his non-exchangeable PSUs/PPSUs. Mr. Lutnick elected to waive such rights as a one-time waiver that is not cumulative. Also pursuant to the policy, the Compensation Committee further approved a grant of 325,000 non-exchangeable PSUs to Mr. Lutnick, in replacement of 325,000 of his NPSUs, and a grant of 1,661,600 non-exchangeable PSUs in replacement of his 1,661,600 non-exchangeable PPSUs, for an aggregate total of 1,986,600 non-exchangeable PSUs, effective as of January 1, 2017, which were all of the rights available to him at such time.

Perquisites

Historically, from time to time, we have provided certain of our executive officers with perquisites and other personal benefits that we believe are reasonable. While we do not view perquisites as a significant element of our executive compensation program, we do believe that they can be useful in attracting, motivating and retaining the executive talent for which we compete. From time to time, these perquisites might include travel, transportation and housing benefits, particularly for executives who live overseas and travel frequently to our other office locations. We believe that these additional benefits may assist our executive officers in performing their duties and provide time efficiencies for them in appropriate circumstances, and we may consider their use in the future. All present or future practices regarding executive officer perquisites will be subject to periodic review and approval by our Compensation Committee. The perquisites and other personal benefits, if any, provided to such executive officers generally have not had an aggregate incremental cost to us per individual that exceeds $10,000.

We offer medical, dental, life insurance and short-term disability to all employees on a non-discriminatory basis. Medical insurance premiums are charged to employees at varying levels based on total cash compensation, and all of our executive officers were charged at the maximum contribution level in light of their compensation. Certain of our executive officers living in London have in the past received certain additional private medical benefits.

Other Events

On December 12, 2016, Mr. Lutnick donated an aggregate of 100,000 shares of stock from his personal asset foundation to a charitable foundation for which his spouse serves as a director. On the same date, the Company repurchased the 100,000 shares from the charitable foundation at a price of $10.25 per share, which was the closing price of the Company's Class A common stock on that date. The transaction was approved by the Audit Committee.

Post-Employment Compensation

Pension Benefits

We do not currently provide pension arrangements or post-retirement health coverage for our employees, although we may consider such benefits in the future.

Retirement Benefits

Our executive officers in the U.S. are generally eligible to participate in our 401(k) contributory defined contribution plan, which we refer to as our "Deferral Plan." Pursuant to the Deferral Plan, all U.S. eligible employees, including our executive officers, are provided with a means of saving for their retirement. We currently do not match any of our employees' contributions to our Deferral Plan.

Nonqualified Deferred Compensation

We do not provide any nonqualified deferred compensation plans to our employees, although we may consider such benefits in the future.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis, which we refer to as the "CD&A," set forth in this Proxy Statement with management of the Company and, based on such review and discussions, the Compensation Committee recommended to the Company's Board of Directors that the CD&A be included in this Proxy Statement.

Dated: April 24, 2017

THE COMPENSATION COMMITTEE

Stephen T. Curwood, Chairman
John H. Dalton
William J. Moran
Linda A. Bell

EXECUTIVE COMPENSATION

Summary Compensation Table

(a) Name and Principal Position	(b) Year	(c) Salary ($)	(d) Bonus ($)	(e) Stock Awards ($)(2)	(f) Option Awards ($)	(g) Non-Equity Incentive Plan Compensation ($)(3)	(h) Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	(i) All Other Compensation ($)	(j) Total ($)
Howard W. Lutnick, Chairman and Chief Executive Officer	2016(1)	1,000,000	—	—	—	12,750,000	—	—	13,750,000
	2015(1)	1,000,000	—	—	—	11,750,000	—	—	12,750,000
	2014(1)	1,000,000	—	—	—	11,750,000	—	—	12,750,000
Shaun D. Lynn, President	2016(1)	1,000,000	—	—	—	7,250,000	—	—	8,250,000
	2015(1)	1,000,000	—	—	—	7,250,000	—	—	8,250,000
	2014(1)	1,000,000	—	—	—	7,250,000	—	—	8,250,000
Stephen M. Merkel, Executive Vice President, General Counsel and Secretary	2016(1)	1,000,000	—	2,437,598	—	1,750,000	—	—	5,187,598
	2015(1)	1,000,000	—	226,643	—	1,750,000	—	—	3,068,201
	2014(1)	1,000,000	—	—	—	1,750,000	—	—	2,750,000
Sean A. Windeatt, Chief Operating Officer(4)	2016(1)	503,240	—	—	—	1,069,385	—	—	1,572,625
	2015(1)	577,500	—	—	—	1,183,965	—	—	1,761,465
	2014(1)	663,000	—	—	—	1,176,295	—	—	1,839,295
A. Graham Sadler, Former Chief Financial Officer(5)(6)	2016(1)	154,636	—	—	—	—	—	—	154,636
	2015(1)	469,219	—	—	—	663,480	—	—	1,132,699
	2014(1)	538,688	—	—	—	645,065	—	—	1,183,754
Steven R. McMurray, Chief Financial Officer(6)(7)	2016(1)	304,039	—	—	—	534,692	—	—	838,731

(1) The table does not include matters for 2016, 2015 and 2014 discussed under the heading "Compensation Discussion and Analysis—Global Partnership Restructuring Program" because the shares granted in the Program were fewer than the number of limited partnership units redeemed/exchanged, those units had been granted in partial payment of prior years' Incentive Plan bonuses that had been reported at full notional value, and the LPU and cash payment adjustments described as part of the Program were incidental adjustments required by the terms of the LPU agreements and the timing of the Program in relation to distributions on units.

(2) Column (e) does not include the (i) 4,000,000 NPSUs granted to Mr. Lutnick and 1,000,000 NPSUs granted to Mr. Merkel in 2014; (ii) 4,000,000 NPSUs granted to Mr. Lutnick and 1,000,000 NPSUs granted to Mr. Lynn in 2015; or (iii) 1,500,000 NPSUs granted to Mr. Lutnick, 3,000,000 NPSUs granted to Mr. Lynn, 1,000,000 NPSUs granted to Mr. Merkel, and 75,000 NPSUs granted to Mr. Windeatt in 2016, in each case, because such NPSUs do not represent a right to acquire shares of Class A common stock and had no grant date fair value for accounting purposes.

Of the 4,000,000 NPSUs granted to Mr. Lutnick in 2014, (i) 2,000,000 were in 2015 replaced by a total of 1,100,000 non-exchangeable PSUs and 900,000 non-exchangeable PPSUs; and (ii) 1,000,000 were in 2016 replaced by 720,000 non-exchangeable PSUs and 280,000 non-exchangeable PPSUs. Of the 1,000,000 NPSUs granted to Mr. Merkel in 2014, (i) in 2015, 142,858 were replaced by 78,571 non-exchangeable PSUs and 64,286 non-exchangeable PPSUs, of which (a) 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 under our Controlled Equity Offering, less 2%, for an aggregate of $91,558; (b) 8,536 PSUs were made exchangeable and repurchased by the Company at a price of $8.34 per share, the closing price of the Class A common stock on the date the Compensation Committee approved the transaction, for an aggregate of $71,190; and (c) 6,983 PPSUs were made exchangeable and repurchased by the Company at a price of $9.15 per share, the closing price of the Class A common stock on December 31, 2014, for an aggregate $63,894, for a total aggregate of $226,643; and (ii) in 2016, 142,858 NPSUs were replaced by 78,571 non-exchangeable PSUs and 64,286 non-exchangeable PPUs, of which (a) 60,103 PSUs were made exchangeable and repurchased by

the Company at a price of $6.51 per PSU, for an aggregate of $391,270; and (b) 49,175 PPSUs were made exchangeable and repurchased by the Company at a price of $6.51 per PPSU, for an aggregate of $320,129, for a total aggregate of $711,399. The remaining 714,86 NPSUs of the 1,000,000 NPSUs granted to Mr. Merkel in 2014 were surrendered by Mr. Merkel in 2016 (see "2016 NPSU Grants and Related Replacement and Exchange Right Grants").

Of the 4,000,000 NPSUs granted to Mr. Lutnick in 2015, in 2016, (i) 1,000,000 were replaced by 550,000 non-exchangeable PSUs and 450,000 non-exchangeable PPSUs, and in 2017, (ii) 1,000,000 were replaced by 720,000 non-exchangeable PSUs and 280,000 non-exchangeable PPSUs. Of the 1,000,000 NPSUs granted to Mr. Lynn in 2015, in 2016 and 2017, 500,000 were replaced by 360,000 non-exchangeable LPUs and 140,000 non-exchangeable PLPUs.

Of the 1,500,000 NPSUs granted to Mr. Lutnick in 2016, in 2017, 375,000 were replaced by 270,000 non-exchangeable PSUs and 105,000 non-exchangeable PPSUs. Of the 3,000,000 NPSUs granted to Mr. Lynn in 2016, in 2017, (i) 500,000 were replaced by 360,000 non-exchangeable LPUs and 140,000 non-exchangeable PLPUs, and (ii) 250,000 were replaced by 180,000 non-exchangeable LPUs and 70,000 non-exchangeable PLPUs. Of the 1,000,000 NPSUs granted to Mr. Merkel in 2016, in 2016, 200,000 of such NPSUs were replaced by (a) 110,000 non-exchangeable PSUs, which were made exchangeable and repurchased by the Company for an aggregate of $952,600, based on the closing price of $8.65 of the Class A common stock on November 7, 2016; and (b) 90,000 non-exchangeable PPSUs, which were made exchangeable and repurchased by the Company for an aggregate of $773,599, at the weighted-average determination price of $8.60 per unit, for a total aggregate of $1,726,199. Further, in connection with the foregoing, on February 28, 2017, (i) 200,000 of such NPSUs were replaced by (a) 110,000 non-exchangeable PSUs, which were made exchangeable and repurchased by the Company at $11.06, the average price of shares of Class A common stock under our Controlled Equity Offering, less 2%, for an aggregate of $1,216,911; and (b) 90,000 non-exchangeable PPSUs, which were made exchangeable and repurchased by the Company for an aggregate of $847,033 at the weighted-average determination price of $9.41 per unit. Of the 75,000 NPUs granted to Mr. Windeatt in 2016, in 2017, 18,750 were replaced by 13,500 non-exchangeable LPUs and 5,250 non-exchangeable PLPUs.

The amount in column (e) for Mr. Merkel for 2016 represents the total aggregate of $711,399 from the repurchases of exchangeable PSUs/PPSUs relating to NPSUs granted in 2014 and $1,726,199 from the repurchases of exchangeable PSUs/PPSUs relating to NPSUs granted in 2016.

Column (e) also does not include the fair value of grants of exchange rights to Mr. Lutnick in February 2016 with respect to 1,040,760 PSUs and 851,530 PPSUs pursuant to the standing policy because each of those PSUs and PPSUs was originally granted to Mr. Lutnick in partial payment of bonuses awarded to him under the Incentive Plan for prior years and reflected in column (g) of the table for each of those prior years at their full notional dollar values.

(3) The amounts in column (g) reflect the bonus awards to the named executive officers under our Incentive Plan. For 2016, Mr. Lutnick' s Incentive Plan bonus was paid $3,000,000 in cash and $9,750,000 in the form of 634,146 non-exchangeable PSUs and 246,612 non-exchangeable PPSUs; Mr. Lynn's Incentive Plan bonus was paid $7,250,000 in the form of 471,545 non-exchangeable LPUs and 183,379 non-exchangeable PLPUs; Mr. Merkel's Incentive Plan bonus was paid $1,750,000 in the form of 86,947 non-exchangeable PSUs and 71,138 non-exchangeable PPSUs; Mr. Windeatt's Incentive Plan bonus was paid $1,069,385 (£850,000) in the form of 69,553 non-exchangeable LPUs and 27,049 non-exchangeable PLPUs; Mr. McMurray's Incentive Plan bonus was paid $534,692 (£425,000) in the form of 34,777 non-exchangeable LPUs and 13,524 non-exchangeable PLPUs.

For 2015, Mr. Lutnick' s Incentive Plan bonus was paid $3,000,000 in cash and $8,750,000 in the form of 750,000 non-exchangeable PSUs and 291,667 non-exchangeable PPSUs; Mr. Lynn's Incentive Plan bonus was paid $7,250,000 in the form of 621,429 non-exchangeable LPUs and 241,667 non-exchangeable PLPUs; Mr. Merkel's Incentive Plan bonus was paid $1,750,000 in the form of 114,583 non-exchangeable PSUs and 93,750 non-exchangeable PPSUs; Mr. Windeatt's Incentive Plan bonus was paid $1,183,965 (£850,000) in the form of 105,188 non-exchangeable LPUs and 40,906 non-exchangeable PLPUs; Mr. Sadler's Incentive Plan bonus was paid $663,480 (£425,000) in the form of 73,341 non-exchangeable LPUs and 28,521 non-exchangeable PLPUs.

(4) For 2016, Mr. Windeatt's base salary was £400,000, and the $503,240 base salary reflected in the table was calculated using an exchange rate of 1.2581, the exchange rate in effect as of January 31, 2017. For 2015, Mr. Windeatt's base salary was £400,000, and the $577,500 base salary reflected in the table was calculated using an exchange rate of 1.44375, the exchange rate in effect as of February 11, 2016

(5) For 2016, Mr. Sadler's base salary was £325,000, and the $154,636 salary reflected in the table was his salary through April 4, 2016, the day of his retirement, calculated using an exchange rate of 1.42742, the exchange rate in effect as of April 4, 2016. For 2015, Mr. Sadler's base salary was £325,000, and the $469,291 base salary reflected in the table was calculated using an exchange rate of 1.44375, the exchange rate in effect as of February 11, 2016.

(6) Mr. Sadler retired as CFO on April 4, 2016, and Mr. McMurray commenced his employment as CFO on such date.

(7) For 2016, Mr. McMurray's base salary was £325,000, and the $304,039 salary reflected in the table was his salary from April 4, 2016 through December 31, 2016, calculated using an exchange rate of 1.2581, the exchange rate in effect as of January 31, 2017.

Grants of Plan-Based Awards

The following table shows all grants of plan-based awards to the named executive officers in 2016:

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards						
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)(1)	Threshold (#)	Target (#)	Maximum (#)	All Other Grant Awards: Number of Shares of Stock or Units (#)(2)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)(2)
Howard W. Lutnick	1/1/16	—	—	25,000,000	—	—	—	—	—	—	—
Shaun D. Lynn	1/1/16	—	—	25,000,000	—	—	—	—	—	—	—
Stephen M. Merkel	1/1/16	—	—	25,000,000	—	—	—	309,279	—	—	2,437,598
Sean A. Windeatt	1/1/16	—	—	25,000,000	—	—	—	—	—	—	—
A. Graham Sadler(3)	—	—	—	—	—	—	—	—	—	—	—
Steven R. McMurray(3)	1/1/16	—	—	25,000,000	—	—	—	—	—	—	—

(1) The amounts in column (e) reflect the maximum possible individual payment under our Incentive Plan. During 2016, there were no specific minimum and target levels under the Incentive Plan. The $25,000,000 maximum amount was the maximum annual amount available for payment to any one executive officer under the Incentive Plan for 2016, and our Compensation Committee retained negative discretion to award less than this amount even if the Performance Goals were met. Actual amounts paid to each named executive officer for 2016 are set forth in column (g) of the Summary Compensation Table.

(2) Columns (i) and (1) do not include the 1,500,000 NPSUs granted to Mr. Lutnick, the 3,000,000 NPSUs granted to Mr. Lynn, the 1,000,000 NPSUs granted to Mr. Merkel and the 75,000 NPSUs granted to Mr. Windeatt, in each case in 2016, because NPSUs do not represent a right to acquire shares of Class A common stock and they had no grant date fair value for accounting purposes.

Of the 1,500,000 NPSUs granted to Mr. Lutnick in 2016, in 2017, 375,000 were replaced by 270,000 non-exchangeable PSUs and 105,000 non-exchangeable PPSUs. Of the 3,000,000 NPSUs granted to Mr. Lynn in 2016, in 2017, (i) 500,000 were replaced by 360,000 non-exchangeable LPUs and 140,000 non-exchangeable PLPUs, and (ii) 250,000 were replaced by 180,000 non- exchangeable LPUs and 70,000 non-exchangeable PLPUs. Of the 1,000,000 NPSUs granted to Mr. Merkel in 2016, in 2016, 200,000 of such NPSUs were replaced by (a) 110,000 non-exchangeable PSUs, which were made exchangeable and repurchased by the Company for an aggregate of $952,600, based on the closing price of $8.65 of the Class A common stock on November 7, 2016; and (b) 90,000 non-exchangeable PPSUs, which were made exchangeable and repurchased by the Company for an aggregate of $773,599, at the weighted-average determination price for $8.60 per unit, for a total aggregate of $1,726,199. Further, in connection with the foregoing, on February 28, 2017, (i) 200,000 of such NPSUs were replaced by (a) 110,000 non-exchangeable PSUs, which were made exchangeable and repurchased by the Company at $11.06, the average price of shares of Class A common stock under our Controlled Equity Offering, less 2%, for an aggregate of $1,216,911; and (b) 90,000 non-exchangeable PPSUs, which were made exchangeable and repurchased by the Company for an aggregate of $847,033, at the weighted-average determination price $9.41 per unit. Of the 75,000 NPUs granted to Mr. Windeatt in 2016, in 2017, 18,750 were replaced by 13,500 non-exchangeable LPUs and 5,250 non-exchangeable PLPUs. Of the 1,000,000 NPSUs granted to Mr. Merkel in 2014, in 2016, 142,858 NPSUs were replaced by 78,571 non-exchangeable PSUs and 64,286 non-exchangeable PPUs, of which (a) 60,103 PSUs were made exchangeable and repurchased by the Company at a price of $6.51 per unit, for an aggregate of $391,270; and (b) 49,175 PPSUs were made exchangeable and repurchased by the Company at a price of $6.51 per unit, for an aggregate of $320,129, for a total aggregate of $711,399.

The amounts in columns (i) and (l) for Mr. Merkel reflect the grants of exchange rights in 2016 with respect to PSUs/PPSUs relating to NPSUs granted in 2014 and 2016 and the Company's repurchase of such exchangeable units.

Columns (i) and (1) also do not include the fair value of grants of exchange rights to Mr. Lutnick in February 2016 with respect to 1,040,760 PSUs and 851,530 PPSUs pursuant to the standing policy because each of those PSUs and PPSUs was originally granted to Mr. Lutnick in partial payment of bonuses awarded to him under the Incentive Plan for prior years and reflected in column (g) of the table for each of those prior years at their full notional dollar values.

(3) Mr. Sadler retired as CFO on April 4, 2016, and Mr. McMurray commenced his employment as CFO on such date. Mr. Sadler was not eligible to participate in the Incentive Plan for 2016.

Outstanding Equity Awards at Fiscal Year End

The following table shows all unexercised options held by each of the named executive officers as of December 31, 2016:

	Option Awards					Grant Awards			
(a) Name	(b) Number of Securities Underlying Unexercised Options (#) Exercisable (1)	(c) Number of Securities Underlying Unexercised Options (#) Unexercisable (2)	(d) Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	(e) Option Exercise Price ($)(1)	(f) Option Expiration Date	(g) Number of Shares or Units of Stock That Have Not Vested (#) (3)	(h) Market Value of Shares or Units of Stock That Have Not Vested (3)	(i) Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	(j) Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Howard W. Lutnick	1,000,000	—	—	10.82	12/28/2017	—	—	—	—
	1,040,760	—	—	—	—	—	—	—	—
Shaun D. Lynn	—	—	—	—	—	—	—	—	—
Stephen M. Merkel	—	—	—	—	—	—	—	—	—
Sean A. Windeatt	—	—	—	—	—	—	—	—	—
Steven McMurray(4)	—	—	—	—	—	—	—	—	—

(1) For Mr. Lutnick, column (b) represents all of his fully vested options on Class A common stock and his 1,040,760 exchangeable PSUs. Such exchangeable PSUs may be exchanged at any time on a 1:1 basis for shares of Class A common stock. As of December 30, 2016, the closing market price of a share of Class A common stock was $10.23. Column (b) does not include 851,530 exchangeable PPSUs held by Mr. Lutnick as of December 31, 2016 because they do not represent a right to acquire shares of Class A common stock. These PPSUs are exchangeable for cash in connection with the exchange of the related PPSUs for shares based upon the applicable determination price of each grant of PPSUs, which had a weighted-average determination price of $7.03, for an aggregate of $5,986,256.

Non-exchangeable PSUs or LPUs held as of December 31, 2016 that are eligible to be granted exchange rights into Class A common stock were as follows: Mr. Lutnick: 2,994,250 PSUs, Mr Lynn: 5,876,654 LPUs; Mr. Merkel: 343,249 PSUs; Mr. Windeatt: 302,236 LPUs; Mr. McMurray: 0.

NPSUs held as of December 31, 2016 that are eligible to be replaced by non-exchangeable PSUs/PPSUs or LPUs/PLPUs, which in turn would be eligible to be granted exchange rights for shares of Class A common stock or cash, were as follows: Mr. Lutnick: 6,500,000 NPSUs; Mr. Lynn: 3,750,000 NPSUs; Mr. Merkel: 0 NPSUs; Mr. Windeatt: 75,000 NPSUs; Mr. McMurray: 0 NPSUs.

(2) Column (c) does not include 1,811,444 non-exchangeable PPSUs held by Mr. Lutnick, 816,087 non-exchangeable PLPUs held by Mr. Lynn, 248,555 non-exchangeable PPSUs held by Mr. Merkel or 98,618 non-exchangeable PLPUs held by Mr. Windeatt as of December 31, 2016 because they did not represent a right to acquire Class A common stock.

(3) Columns (g) and (h) do not include 167,654 shares of restricted stock held by Mr. Lynn as of December 31, 2016 because such shares of restricted stock are not subject to a risk for forfeiture. As of December 31, 2016, no shares of restricted stock were held by Mr. Lutnick, Merkel, Windeatt or McMurray.

(4) Mr. Sadler retired as CFO on April 4, 2016, and Mr. McMurray commenced his employment as CFO on such date.

Option Exercises and Stock Vested

During 2016, Mr. Lutnick exercised options as described in the table below. No options were exercised and no stock vested for any of the other named executive officers.

	Option Awards	
(a) Name	(b) Number of Shares acquired on exercise (#)[1]	(c) Value Realized on exercise ($) Unexercisable
Howard W. Lutnick	250,000	137,500
	800,000	272,000

(1) During 2016, Mr. Lutnick exercised employee stock options through net exercise as follows: (a) March 9, 2016, with respect to 250,000 shares at an exercise price of $8.42 per share; and (b) November 9, 2016, with respect to 800,000 shares at an exercise price of $8.80 per share. The closing prices of a share of Class A common stock on March 9, 2016 and November 9, 2016 were $8.97 and $9.14, respectively. The net exercises of such options resulted in 17,403 shares and 51,064 shares, respectively, being issued to Mr. Lutnick.

Potential Payments upon Change in Control

The following table provides information regarding the estimated amounts payable to the named executive officers listed below, upon either termination or continued employment if such change in control had occurred on December 31, 2016 under the change in control and other agreements described below, in effect on December 31, 2016 (including NPSUs granted and Incentive Plan and other bonuses and commissions paid for 2016). The amounts are determined, where applicable, using the $10.23 closing market price of our Class A common stock as of December 30, 2016. All amounts, including estimated tax gross-up payments, are subject to the specific terms and conditions set forth in the applicable change of control or other agreements and applicable law:

Name	Base Salary ($)	Bonus ($)	Vesting of Equity Compensation ($)(1)	Welfare Benefit Continuation ($)	Tax Gross-Up Payment ($)(3)	Total ($)
Howard W. Lutnick						
Termination of Employment	2,000,000	23,500,000	—	50,696	14,866,264	40,416,960
Extension of Employment	1,000,000	11,750,000	—	—	6,131,478	18,881,478
Shaun D. Lynn						
Termination of Employment	2,000,000	14,500,000	—	6,953	—	16,506,953
Extension of Employment	1,000,000	7,250,000	—	—	—	8,250,000
Stephen M. Merkel						
Termination of Employment	2,000,000	3,500,000	—	50,696	2,860,214	8,410,910
Extension of Employment	1,000,000	1,750,000	—	—	976,241	3,726,241
Sean A. Windeatt						
Termination of Employment	1,006,480(2)	2,138,770	—	6,953	—	3,152,203
Extension of Employment	503,240(2)	1,069,385	—	—	—	1,572,625

(1) Upon a change in control at December 31, 2016, Messrs. Lutnick, Lynn, and Merkel would have had the right to receive (i) the replacement of any NPSUs with non-exchangeable PSUs/PPSUs or LPUs/PLPUs, and such non-exchangeable PSUs/PPSUs, for Messrs. Lutnick and Merkel, and LPUs/PLPUs, in the case of Mr. Lynn (other than the Lynn 2016 NPSUs, defined below), would then be granted immediately exchangeable exchange rights in accordance with clause (ii); (ii) grants of immediately exchangeable exchange rights with respect to any non-exchangeable limited partnership units that would be eligible to be granted exchange rights held by them immediately prior to a change in control (other than the Lynn 2016 NPSUs); and (iii) the immediate lapse of any restrictions on transferability of any shares of restricted stock held by them at such time. With respect to the Lynn 2016 NPSUs, Mr. Lynn would have the right to receive the replacement of NPSUs with non-exchangeable LPUs and grants of exchange rights at the times and over the periods described below under "Shaun D. Lynn Agreements." Mr. Windeatt would have the rights to receive (ii) and (iii) above.

At December 31, 2016, Messrs. Lutnick, Lynn, Merkel and Windeatt held the following numbers of such non-exchangeable partnership units (including PSUs or LPUs and NPSUs that would be replaced with PSUs/PPSUs or LPUs/PLPUs): Mr. Lutnick: 9,494,250 units; Mr. Lynn: 9,626,654 units; Mr. Merkel: 343,249 units; and Mr. Windeatt: 377,236 units. Based on the closing price of the Class A common stock of $10.23 on December 30, 2016, the aggregate value of the shares and cash underlying such grants for each such person would have been as follows: Mr. Lutnick: $97,126,178; Mr. Lynn: $98,480,670; Mr. Merkel: $3,511,437; and Mr. Windeatt: $3,859,124.

At December 31, 2016, Messrs. Lutnick, Lynn, Merkel and Windeatt held the following numbers of non-exchangeable PPSUs/PLPUs: Mr. Lutnick: 1,811,444 non-exchangeable PPSUs; Mr. Lynn: 816,087 non-exchangeable PLPUs; Mr. Merkel: 248,555 non-exchangeable PPSUs; Mr. Windeatt: 98,618 non-exchangeable PLPUs. Based on the applicable determination price of each grant of PPSUs or PLPUs, the cash value underlying such exchange rights would have been $16,725,850 for Mr. Lutnick; $6,342,700 for Mr. Lynn; $2,316,603 for Mr. Merkel; and $3,859,124 for Mr. Windeatt.

In each case, the units exclude any units subject to redemption for zero in accordance with applicable agreements. See "Change in Control Agreements."

As of December 31, 2016, Mr. Lynn held 167,654 shares of restricted stock that were subject only to restrictions on transferability. Based on the closing price of the Class A common stock of $10.23 on December 30, 2016, the value of the shares would have been $1,715,100. Messrs. Lutnick, Merkel and Windeatt did not hold any shares of restricted stock.

(2) For 2016, Mr. Windeatt's base salary was £400,000, and the $503,240 base salary reflected in the table was calculated using an exchange rate of 1.2581, the exchange rate in effect as of January 31, 2017.

(3) Each of Messrs. Lutnick and Merkel is also entitled to a tax gross-up for excess parachute payments, if any, that would be due in respect of the impact a change in control would have on certain of their outstanding partnership units. Based on the vesting in footnote (1), on either a termination of employment or an extension of employment, these amounts, if any, would be estimated to be $77,997,912 for Mr. Lutnick and $3,992,682 for Mr. Merkel.

Change in Control Agreements

On August 3, 2011, each of Messrs. Lutnick and Merkel entered into an amended and restated Change in Control Agreement with us, which we refer to as the "Change in Control Agreements," providing that, upon a change in control, all stock options, RSUs, restricted stock, and other awards based on shares of Class A common stock held by them immediately prior to such change in control shall vest in full and become immediately exercisable, and all limited partnership units in BGC Holdings shall, if applicable, vest in full and be granted immediately exchangeable exchange rights for shares of Class A common stock. The amended and restated Change in Control Agreements also clarify the provisions relating to the continuation of medical and life insurance benefits for two years following termination or extension of employment, as applicable.

Under the Change in Control Agreements, if a change in control of the Company occurs (which will occur in the event that Cantor or one of its affiliates ceases to have a controlling interest in us) and Mr. Lutnick or Mr. Merkel elects to terminate his employment with us, such executive officer will receive in a lump sum in cash an amount equal to two times his annual base salary and the annual bonus paid or payable by us for the most recently completed year, including any bonus or portion thereof that has been deferred, and receive medical benefits for two years after the termination of his employment (provided that, if Mr. Lutnick or Mr. Merkel becomes re-employed and is eligible to receive medical benefits under another employer-provided plan, the former medical benefits will be secondary to the latter). If a change in control occurs and Mr. Lutnick or Mr. Merkel does not so elect to terminate his employment with us, such executive officer will receive in a lump sum in cash an amount equal to his annual base salary and the annual bonus paid or payable for the most recently completed fiscal year, including any bonus or portion thereof that has been deferred, and receive medical benefits, provided that in the event that, during the three-year period following the change in control, such executive officer's employment is terminated by us (other than by reason of his death or disability), he will receive in a lump sum in cash an amount equal to his annual base salary and the annual bonus paid or payable for the most recently completed fiscal year, including any bonus or portion thereof that has been deferred. The Change in Control Agreements further provide for certain tax gross-up payments, provide for no duty of Mr. Merkel or Mr. Lutnick to mitigate amounts due by seeking other employment and provide for payment of legal fees and expenses as a result of any dispute with respect to the Agreements. The Change in Control Agreements further provide for indemnification of Mr. Lutnick and Mr. Merkel in connection with a challenge thereof. In the event of death or disability, or termination in the absence of a change in control, such executive officer will be paid only his accrued salary to the date of death, disability, or termination. The Change in Control Agreements are terminable by the Company upon two years' advance notice on or after April 1, 2018.

Employment Agreements and Deeds of Adherence

In December 2012, Messrs. Lynn, Windeatt and Sadler, our then-executive officers who were resident in the U.K., as well as many of our other former employees in the U.K., became members of the U.K. Partnership. Following the retirement of Mr. Sadler in April 2016, Mr. McMurray was appointed our Chief Financial Officer and became a member of the U.K. Partnership. Messrs. Lynn, Windeatt and McMurray also continue to serve as our executive officers, though it is intended that the majority of their day-to-day activities will be performed as members of the U.K. Partnership.

As members of the U.K. Partnership, members render services to us as partners following their execution of Deeds of Adherence to the U.K. Partnership. Members receive Allocated Monthly Advance Drawings, which we refer to as "Drawings," which are comparable to the salary payments under prior employment agreements, and are eligible for discretionary allocations of the U.K. Partnership's profits. Any such Drawings or allocations, as well as any equity or partnership grants, are subject to the direction and control of our Compensation Committee and, in the case of allocations and equity or partnership grants, are made under the Incentive Plan, the Equity Plan, or the Participation Plan. Upon termination of their employment contracts, members in the U.K. had their outstanding PSUs redeemed.

In connection with their participation in the new U.K. Partnership, U.K. members are issued LPUs and PLPUs. The U.K. Partnership is intended to improve the flexibility of our operating model in the U.K. and also to make certain benefits available to us and the relevant individuals from a U.K. employment, tax and regulatory perspective. We intend that LPUs and PLPUs, and NPSUs that may be replaced by LPUs/PLPUs, will be used for the benefit of the U.K. Partnership members in future periods. Our Compensation Committee continues to review the performance and determine the compensation of the U.K. executive officers under its compensation philosophy and processes.

Shaun D. Lynn Agreements

Mr. Lynn entered into an employment agreement with BGC Brokers L.P. on March 31, 2008, as amended on March 26, 2010 and August 3, 2011, which we refer to as the "Lynn Employment Agreement." The Lynn Employment Agreement had an initial six-year term and was subject to automatic extension for successive periods of one year each on the same terms and conditions unless either BGC Brokers or Mr. Lynn provided notice of non-renewal.

On December 31, 2012, Mr. Lynn's employment with BGC Brokers terminated, and he executed a deed of adherence as a member of the U.K. Partnership. Mr. Lynn continues to serve as President of BGC Partners and serve as an officer and director of various subsidiaries.

Effective as of January 7, 2013, Mr. Lynn executed an amended and restated deed of adherence to the U.K. Partnership, which we refer to as the "Old Lynn Deed." Under the Old Lynn Deed, Mr. Lynn's membership in the U.K. Partnership was for a minimum initial period ending March 31, 2014 and was subject to extension for successive periods of one year each on the same terms and conditions unless either the U.K. Partnership or Mr. Lynn provides notice of non-renewal. In March 2013, the Old Lynn Deed was amended to provide for termination on 12-months' notice.

Pursuant to the Old Lynn Deed (and pursuant to the New Lynn Deed, as defined below), Mr. Lynn is entitled to certain payments in amounts that are comparable to those that he was paid under the Lynn Employment Agreement, including Drawings in the aggregate amount of $1,000,000 per year ($83,333 per month), which shall be reviewed by the Compensation Committee annually. Mr. Lynn is also eligible for additional allocations of the U.K. Partnership's profits, subject to the approval of the Compensation Committee, comparable to his bonus award opportunities under the Lynn Employment Agreement. Any such additional allocation is subject to the satisfactory achievement by Mr. Lynn of such performance goals as may be established by the Compensation Committee under the Incentive Plan, the Equity Plan, or the Participation Plan, in its discretion from time to time, and the target allocation for each annual financial period is 300% of his aggregate Drawings for such period. To the extent that Mr. Lynn is eligible to receive a U.K. Partnership allocation, the first $1,000,000 of such allocation shall be paid in cash, with the remainder, if any, to be paid in cash or a contingent non-cash grant, as determined by the Compensation Committee, which could be in the form of LPUs, PLPUs or other BGC Holdings partnership units or award types with a value to be determined by reference to the closing price of the Company's Class A common stock on the date of grant. For 2016, Mr. Lynn waived the provision requiring that the first $1,000,000 of such allocation be paid in cash.

Effective December 14, 2016, Mr. Lynn executed a new amended and restated deed of adherence to the U.K. Partnership (the "New Lynn Deed"). The Compensation Committee approved the New Lynn Deed and a related letter agreement, dated December 14, 2016 (the "Lynn Letter Agreement"), providing for a grant to Mr. Lynn of 1,000,000 NPSUs (the "Lynn 2016 NSPUs") and 3,500,000 LPUs effective as of October 1, 2016 as described above.

The New Lynn Deed provides for substantially similar terms to the Old Lynn Deed, except that (i) the 52-week rolling notice period has been replaced with a fixed-term contract expiring March 31, 2023, with a 24-month advance rolling notice period; (ii) the term of the restrictive covenants in the Old Lynn Deed has been extended from 18 months to two years; (iii) the profit allocation payable to Mr. Lynn in the event of a termination due to illness or injury will be based on a pro rata portion of the profit allocation for the prior year; and (iv) the profit allocation payable in the event of the death of Mr. Lynn will be payable to his estate all in cash, with the Compensation Committee taking into consideration the portion of the year served and the profit allocation which might have paid to Mr. Lynn in the event that he had survived.

Further, on or about each October 1 of 2017 through 2020, pursuant to the Lynn Letter Agreement, the Partnership shall grant an aggregate award of 250,000 non-exchangeable LPUs in replacement of 250,000 of the Lynn 2016 NPSUs, provided that (i) the Company, inclusive of all affiliates thereof, earns, in the aggregate, at least $5 million in gross revenues in the calendar quarter in respect of which the applicable award of LPUs is to be granted, and (ii) except in the event of Mr. Lynn's death prior to the applicable grant date, Mr. Lynn remains a member in the U.K. Partnership and has complied at all times with the New Lynn Deed and the Partnership Agreement, as of the applicable grant date. The LPUs shall be subject to customary adjustments due to membership in the U.K. Partnership upon their exchange or redemption (e.g., 9.75% cancellation/forfeiture upon exchange).

In the event of a change in control of the U.K. Partnership (which will occur if BGC Partners, Inc. is no longer controlled by Cantor or a person or entity controlled by, controlling or under common control with Cantor), the individual or entity that acquires control would have the option to either extend the term of Mr. Lynn's membership in the U.K. Partnership for a period of three years from the date the change in control took effect (if the remaining term of the New Lynn Deed at the time of the change in control is less than three years), or to terminate Mr. Lynn's membership. If the membership period is extended, Mr. Lynn will be entitled to receive an amount equal to his aggregate Profit Allocation under the New Lynn Deed for the most recent full Financial Period (the "Aggregate Profit Allocation Account"), in addition to any other profit allocation that he may be entitled to receive under the New Lynn Deed. In addition, in the event that Mr. Lynn remains a member in the U.K. Partnership on the second anniversary of the change in control (unless he is not engaged on such date solely as a result of termination by the continuing company under circumstances that constitute a fundamental breach of contract by it) and has not materially breached the New Lynn Deed, Mr. Lynn will receive an additional payment of the Aggregate Profit Allocation Account. If Mr. Lynn's membership is terminated, he is entitled to receive two times his Aggregate Profit Allocation Amount under the New Lynn Deed for the most recent full financial period in full and final settlement of all claims. In each case, if applicable, he will receive full vesting and immediate exchangeability of all options, RSUs, restricted stock, LPUs, PLPUs and any other BGC Holdings partnership units (unless otherwise provided in the applicable award agreement and including any such awards or units issued to him in connection with or related to such change in control). He is also entitled to welfare benefit continuation for two years and a pro rata discretionary profits allocation for the year of termination. The New Lynn Deed also contains provisions with respect to suspension, consequences of removal, payments in the event of illness or disability and various restrictive covenants.

Also in the event of a change of control of the U.K. Partnership at any time while Mr. Lynn is providing substantial services to the Company or an affiliate thereof (the "Change of Control"), the Partnership shall grant exchangeable LPUs in replacement of any of the above Lynn 2016 NPSUs then held by Mr. Lynn, and any of such non-exchangeable LPUs then held by Mr. Lynn shall become exchangeable for shares of the Company's Class A common stock as follows: (a) in a lump sum following (i) the third anniversary of the Change of Control if Mr. Lynn continuously provides substantial services (as an employee, member, partner, consultant, or otherwise) to the Company, any of the individual(s) or entity(ies) which acquire(s) control of the Company (the "Controller"), or any affiliate thereof for the three years after the Change of Control, or (ii) the date the Controller permanently terminates Mr. Lynn's services in all capacities to the Company, the Controller, and all affiliates thereof prior to the third anniversary of the Change of Control if the circumstances amount to a fundamental breach of contract by the Controller as determined by a court of competent jurisdiction, or (b) ratably on or about the first through third anniversaries following the Change of Control if the Controller permanently terminates Mr. Lynn's services in all capacities to the Company, the Controller, and all affiliates thereof prior to the third anniversary of the Change of Control unless (a)(ii) above applies. These rights are subject to compliance by Mr. Lynn with certain terms and conditions set forth in the applicable agreements, including not engaging in Competitive Activity (as such term is defined under the Partnership Agreement) at any time prior to the applicable grant of exchangeability. The grant of exchangeability with respect to such LPUs will be determined in accordance with the Company's practices when determining discretionary bonuses or awards, and any grants of exchangeability shall be subject to the approval of the Compensation Committee.

In addition, the Compensation Committee approved a separate consultancy agreement between Mr. Lynn and the U.K. Partnership, dated December 14, 2016, under which Mr. Lynn will be paid a fee of $20,833.33 per month ($250,000 per year) for his services, commencing upon the termination of his membership in the U.K. Partnership until the earlier of five years following such termination or such time as the U.K. Partnership chooses to terminate the engagement (the "Lynn Consultancy Agreement"). The Lynn Consultancy Agreement subjects Mr. Lynn to substantially the same two-year restrictive covenants as in the New Lynn Deed subsequent to his consultancy termination.

Sean A. Windeatt Agreements

Mr. Windeatt originally had a standard employment agreement with BGC Brokers pursuant to which he was initially paid £200,000 per year. His base salary was raised to £275,000 as of January 1, 2010, £325,000 as of January 1, 2011,

£375,000 ($582,750 as of January 1, 2012) and £400,000 ($663,000 as of January 1, 2014) and remains at £400,000 ($493,800 as of January 1, 2017). He was also eligible for discretionary and Incentive Plan, Equity Plan and Participation Plan awards.

On December 31, 2012, Mr. Windeatt's employment with BGC Brokers terminated, and he executed a deed of adherence as a member of the U.K. Partnership. Mr. Windeatt continues to serve as Chief Operating Officer of BGC Partners, Inc. and serve as an officer of various subsidiaries. Effective January 22, 2014, Mr. Windeatt executed an amended and restated deed of adherence to the U.K. Partnership, which we refer to as the "Windeatt Deed." Under the Windeatt Deed, Mr. Windeatt's membership in the U.K. Partnership was terminable on three-months' notice to a minimum period of up to and including December 31, 2018 (the "Initial Period"). Thereafter, the term will extend automatically for successive one-year periods (the "Renewal Period"), in which case Mr. Windeatt's membership would terminate upon the expiration of the Initial Period or any Renewal Period.

Pursuant to the Windeatt Deed, Mr. Windeatt is entitled to certain payments in amounts that are comparable to those that he was paid under his prior deed of adherence, including Drawings in the aggregate amount of £400,000 per year (£33,333 per month), which shall be reviewed by the Compensation Committee annually and remains at £400,000 ($503,280 as of January 31, 2017). Mr. Windeatt is also eligible for additional allocations of the U.K. Partnership's profits, subject to the approval of the Compensation Committee. Any such allocation is subject to the satisfactory achievement by Mr. Windeatt of such performance goals as may be established by the Compensation Committee under the Incentive Plan or the Equity Plan in its discretion from time to time.

The Windeatt Deed extended the period that Mr. Windeatt may (i) not compete with the U.K. Partnership or its affiliates or solicit clients or counterparties of the U.K. Partnership or any affiliate from six months to a period of 18 months after his termination, and (ii) not solicit members or employees of the U.K. Partnership or any affiliate to leave their employment of or to discontinue the supply of his or her services to the U.K. Partnership or any affiliate from a period of 12 months to a period of 48 months after his termination.

In further consideration of his execution of the Windeatt Deed, Mr. Windeatt was permitted to immediately sell 30% of his restricted Class A common stock (an aggregate of 85,347 shares), which shares were repurchased by the Company on February 5, 2014.

Effective February 24, 2017, Mr. Windeatt executed a deed of amendment to the Windeatt Deed (the "Windeatt Amendment"). The Compensation Committee approved the Windeatt Amendment and a related letter agreement, dated February 24, 2017 (the "Windeatt Letter Agreement"), providing for a grant to Mr. Windeatt of 400,000 NPSUs (the "Windeatt 2017 NPSUs") and 100,000 LPSUs, effective as of January 1, 2017.

The Windeatt Amendment provides for substantially similar terms to the Windeatt Deed, except that (i) the current term of the Windeatt Deed has been extended from December 31, 2018 to March 31, 2024, with a 12-month advance rolling notice period; and (ii) the term of the restrictive covenants in the Windeatt Deed has been replaced with a two year period.

As described above, on or about each April 1 of 2018 through 2021, pursuant to the Windeatt Letter Agreement, the Partnership shall grant an aggregate award of 100,000 non-exchangeable LPUs in replacement of 100,000 of the Windeatt 2017 NPSUs, provided that (i) the Company, inclusive of all affiliates thereof, earns, in aggregate, at least $5 million in gross revenues in the calendar quarter in respect of which the applicable award of LPUs is to be granted, and (ii) except in the event of Mr. Windeatt's death prior to the applicable grant date, Mr. Windeatt remains a member in the U.K. Partnership and has complied at all times with the Windeatt Deed (as amended) and Partnership Agreement, as of the applicable grant date. The LPUs shall be subject to customary adjustments due to membership in the U.K. Partnership upon their exchange or redemption (e.g., 9.75% cancellation/forfeiture upon exchange).

In the event of a change of control of the U.K. Partnership (which will occur if the Company is no longer controlled by Cantor or a person or entity controlled by, controlling or under common control with Cantor), the individual or entity that acquires control would have the option to either extend the term of Mr. Windeatt's membership in the U.K. Partnership for a period of three years from the date the change of control took effect (if the remaining term of the

Windeatt Deed at the time of the change of control is less than three years), or to terminate Mr. Windeatt's membership. If the membership period is extended, Mr. Windeatt will be entitled to receive an amount equal to his aggregate profit allocation for the most recent full 12-month financial period (£400,000 in salary and any bonus paid) in addition to any other allocation that Mr. Windeatt would have been entitled to under the Windeatt Deed. In addition, in the event that Mr. Windeatt remains a member in the U.K. Partnership on the second anniversary of the change of control (unless he is not engaged on such date solely as a result of termination by the continuing company under circumstances that constitute a fundamental breach of contract by it) and has not materially breached the Windeatt Deed, Mr. Windeatt will receive an additional payment equal to the payment he received at the time of the change of control. If Mr. Windeatt's membership is terminated, he is entitled to receive two times his aggregate profit allocation under the Windeatt Deed for the most recent full financial period in full and final settlement of all claims.

In each case, Mr. Windeatt will receive full vesting and immediate exchangeability of all options, RSUs, restricted stock, LPUs, PLPUs and any other BGC Holdings partnership units held by Mr. Windeatt at the time of the change of control (but excluding certain units that were are granted solely for the purpose of participation in BGC Holdings quarterly distributions and will be redeemed for zero and unless otherwise provided in the applicable award agreement and including any such awards or units issued to him in connection with or related to such change in control) into either shares of Company Class A common stock or cash to the extent that any partnership units, such as PLPUs, cannot be exchanged into shares. Mr. Windeatt is also entitled to a continuation of benefits (e.g., health insurance) for two years and a *pro rata* discretionary profit allocation for the year of termination.

Also in the event of a change of control of the U.K. Partnership at any time while Mr. Windeatt is providing substantial services to the Company or an affiliate thereof (the date such event takes effect, the "Windeatt Change of Control"), then the Partnership shall grant exchangeable LPUs in replacement of any of the Windeatt 2017 NPSUs then held by Mr. Windeatt, and any such non-exchangeable LPUs then held by Mr. Windeatt shall become exchangeable for shares of the Company's Class A common stock as follows: (a) in a lump sum following the third anniversary of the Windeatt Change of Control if Mr. Windeatt continuously provides substantial services (as an employee, member, partner, consultant or otherwise) to the Company, any of the individual(s) or entity(ies) which acquire(s) control of the Company (the "Windeatt Controller"), or any affiliate thereof for the three years after the Windeatt Change of Control, or (b) ratably on or about the first through third anniversaries following the Windeatt Change of Control if the Windeatt Controller permanently terminates Mr. Windeatt's services in all capacities to the Company, the Windeatt Controller, and all affiliates thereof prior to the third anniversary of the Windeatt Change of Control (provided that, in the event of a termination between the first and third anniversaries of the Windeatt Change of Control, the portion of the payment attributed to the anniversary(ies) that passed prior to such termination shall be delivered in a lump sum following such termination, with the outstanding portion to be delivered in accordance with the remaining anniversary(ies)). These rights are subject to compliance by Mr. Windeatt of certain terms and conditions set forth in the applicable agreements, including not engaging in Competitive Activity (as such term is defined under the Partnership Agreement) at any time prior to the applicable grant of exchangeability. The grant of exchangeability with respect to such LPUs will be determined in accordance with the Company's practices when determining discretionary bonuses or awards, and any grants of exchangeability shall be subject to the approval of the Compensation Committee.

In addition, the Compensation Committee approved a separate consultancy agreement between Mr. Windeatt and the U.K. Partnership dated February 24, 2017, under which Mr. Windeatt will be paid a fee of £8,333.33 per month (£100,000 per year) for his services, commencing upon the termination of his membership in the U.K. Partnership until the earlier of two years following such termination or such time as the U.K. Partnership chooses to terminate the engagement (the "Windeatt Consultancy Agreement"). The Windeatt Consultancy Agreement subjects Mr. Windeatt to substantially the same two-year restrictive covenants as in the Windeatt Deed subsequent to his consultancy termination.

Steven R. McMurray Agreements

On April 4, 2016, Mr. McMurray commenced his employment with the Company as our Chief Financial Officer, and he executed a deed of adherence as a member of our U.K. Partnership, which we refer to as the "McMurray Deed." Under the McMurray Deed, Mr. McMurray's membership in the U.K. Partnership is terminable on six-months' notice. Pursuant to the McMurray Deed, he is entitled to receive a base draw of £325,000 ($464,444 as of April 4, 2016). He is also entitled to an upfront payment of up to £100,000 ($142,905 as of April 4, 2016) in cash, which is subject to

repayment under certain circumstances. Mr. McMurray will also be entitled to receive a bonus allocation of the U.K. Partnership's profits payable in April 2017, absent his earlier termination for cause or resignation, in the amount of £425,000 ($607,346 as of April 4, 2016), which will be payable in the form of cash, non-cash (e.g., partnership units) or a combination thereof. Mr. McMurray will be eligible for a discretionary profit allocation, subject to the satisfactory achievement by Mr. McMurray of such performance goals as may be established by the Company's Compensation Committee. Pursuant to the McMurray Deed, Mr. McMurray may (i) not compete with the U.K. Partnership or any affiliates or solicit clients or counterparties of the U.K. Partnership or any affiliate for 12 months after his termination, and (ii) not solicit members or employees of the U.K. Partnership or any affiliate to leave their employment with, or to discontinue the supply of their services to, the U.K. Partnership or any affiliate for 24 months after his termination.

On April 27, 2016, Mr. McMurray entered into an agreement with the Company providing for four future awards of partnership units in BGC Holdings having an aggregate notional value of £500,000 ($758,800 on April 27, 2016). Units having a notional value of £83,333 ($126,541 on April 27, 2016) will be granted on each of January 1, 2017, 2018 and 2019, and units having a notional value of £250,000 ($379,625 on April 27, 2016) will be granted on January 1, 2020, in each case in accordance with customary grant documentation, subject to applicable termination and other provisions of the U.K. Partnership agreement, and adjustments set forth in the applicable agreement. All such units will be immediately exchangeable into the Company's Class A common stock on the date of grant and cash may be paid by the Company in lieu of the grant of such applicable units. The number of units granted will be determined based on the closing price of the Company's Class A common stock on the trading day prior to each of the foregoing grant dates.

Compensation of Directors

Directors who are also our employees do not receive additional compensation for serving as director. Effective as of June 2016, the compensation schedule for our non-employee directors was as follows: the annual cash retainer was increased to $100,000 from $50,000, the annual stipend for the chair of our Compensation Committee was increased to $15,000 from $10,000, and the annual stipend for the chair of our Audit Committee was increased to $25,000 from $20,000. We also pay $2,000 for each meeting of our Board of Directors and $1,000 for each meeting of a committee of our Board actually attended, whether in person or by telephone. Under our policy, none of our non-employee directors is paid more than $3,000 in the aggregate for attendance at meetings held on the same date. Non-employee directors may also receive additional per diem fees for services as a director at the rate of $1,000 per day, with a limit of $5,000 per matter, for additional time spent on Board or Committee matters as directed from time to time by the Board, including interviewing candidates and participating in the Company's diversity recruiting program initiatives. Effective as of October 2016, the limit was increased to $15,000 for 2016 in connection with time spent by Mr. Curwood on the Company's diversity recruitment program initiative. Non-employee directors also are reimbursed for all out-of-pocket expenses incurred in attending meetings of our Board or committees of our Board on which they serve.

In addition to the cash compensation described above, under our current policy, upon the appointment or initial election of a non-employee director, we grant to such non-employee director RSUs equal to the value of shares of our Class A common stock that could be purchased for $70,000 at the closing price of our Class A common stock on the trading date of the appointment or initial election of the non-employee director (rounded down to the next whole share). These RSUs vest equally on each of the first two anniversaries of the grant date, provided that the non-employee director is a member of our Board of Directors at the opening of business on such dates.

Thereafter, we annually grant to each non-employee director RSUs equal to the value of shares of our Class A common stock that could be purchased for $50,000 on the date of his or her re-election in consideration for services provided. These RSUs vest equally on each of the first two anniversaries of the grant date, provided that the non-employee director is a member of our Board of Directors at the opening of business on such dates.

On November 10, 2016, Mr. Dalton exercised a stock option, granted to him in 2006, to purchase 7,534 shares at an exercise price of $8.87 per share. The exercise of such option resulted in 7,534 shares of our Class A common stock being issued to Mr. Dalton.

The table below summarizes the compensation paid to our non-employee directors for the year ended December 31, 2016:

(a) Name (1)	(b) Fees Earned or Paid in Cash ($)	(c) Stock Awards ($)(2)	(d) Option Awards ($)(3)	(e) Non-Equity Incentive Plan Compensation ($)	(f) Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	(g) All Other Compensation ($)	(h) Total ($)
John H. Dalton Director	136,500	50,000	—	—	—	—	186,500
Stephen T. Curwood Director	164,250(4)	50,000	—	—	—	—	214,250(4)
William J. Moran Director	162,250	50,000	—	—	—	—	212,250
Linda A. Bell Director	138,250	50,000	—	—	—	—	188,250

(1) Howard Lutnick, our Chairman of the Board and Chief Executive Officer, is not included in this table as he is an employee of our Company and thus received no compensation for his services as director. The compensation received by Mr. Lutnick as an employee of our Company is shown in the Summary Compensation Table.

(2) Reflects the grant date fair value of RSUs granted on June 22, 2016 to each of Messrs. Dalton, Curwood, and Moran, and Dr. Bell. More information with respect to the calculation of these amounts is included in the footnotes to our consolidated financial statements included in Item 8 of our Annual Report on Form 10-K. In 2016, each of Messrs. Dalton, Curwood, and Moran, and Dr. Bell was granted 5,650 RSUs. As of December 31, 2016, Mr. Dalton had 46,873 RSUs outstanding; Mr. Curwood had 25,666 RSUs outstanding; Mr. Moran had 30,680 RSUs outstanding; and Dr. Bell had 29,469 RSUs outstanding.

(3) No options were granted to non-employee directors in 2016. As of December 31, 2016, each non-employee director had the following number of options outstanding: Mr. Dalton, 7,085; Mr. Curwood, 0; Mr. Moran, 0; and Dr. Bell, 0.

(4) Includes per diem fees of $12,000 received in 2016.

Compensation Committee Interlocks and Insider Participation

During 2016, the Compensation Committee of our Board of Directors consisted of Dr. Bell and Messrs. Curwood, Dalton and Moran. All of the members who served on our Compensation Committee during 2016 were independent directors. No member of the Compensation Committee had any relationship with the Company during 2016 pursuant to which disclosure would be required under applicable SEC rules. During 2016, none of our executive officers served as a member of the board of directors or the compensation committee, or similar body, of a corporation where any of its executive officers served on our Compensation Committee or on our Board of Directors.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information, as of March 31, 2017 with respect to the beneficial ownership of our Common Equity by: (i) each stockholder, or group of affiliated stockholders, that we know owns more than 5% of any class of our outstanding capital stock, (ii) each of the named executive officers, (iii) each director and (iv) the executive officers and directors as a group. Unless otherwise indicated in the footnotes, the principal address of each of the stockholders, executive officers and directors identified below is located at 499 Park Avenue, New York, NY 10022. 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, a holder of Class B common stock is deemed to be the beneficial owner of an equal number of shares of our Class A common stock for purposes of this table.

As of March 31, 2017, Cantor is obligated to distribute an aggregate of 15,819,690 shares of our Class A consisting of (i) 14,038,084 shares to certain partners of Cantor 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) 1,781,606 shares to certain partners of Cantor 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" and, together with the April 2008 distribution rights shares, the "distribution rights shares"), all of which can be distributed within 60 days of March 31, 2017. Certain partners elected to receive their shares and others elected to defer receipt of their shares until a future date. As a result, certain of these distribution rights shares are included both in the number of shares beneficially owned directly by Cantor, and indirectly by CF Group Management, Inc. ("CFGM") and Mr. Lutnick as a result of their control of Cantor, and in the number of shares beneficially owned directly by CFGM, Mr. Lutnick and the other recipients of distribution rights shares, resulting in substantial duplications in the number of shares set forth in the table below. Once Cantor delivers these 15,819,690 distribution rights shares, these shares will no longer be reflected as beneficially owned directly by Cantor and indirectly by CFGM and Mr. Lutnick as a result of their control of Cantor. Instead, beneficial ownership of the shares will only be reported by CFGM and Mr. Lutnick as a result of their direct holdings of the shares, and Mr. Lutnick's indirect holdings as a result of his control of KBCR Management Partners, LLC ("KBCR") and LFA LLC ("LFA"), and by the other recipients of the distribution rights shares.

	Class B Common Stock		Class A Common Stock	
Name	**Shares**	**%**	**Shares**	**%**
5% Beneficial Owners(1):				
Cantor Fitzgerald, L.P.(2)	69,449,055(3)	99.9(4)	100,067,868(5)	29.9(6)
CF Group Management, Inc.	69,497,800(7)	100.0(4)	102,925,556(8)	30.6(9)
The Vanguard Group(1)	—	—	17,095,129	6.9
Blackrock, Inc.(1)	—	—	13,962,245	5.6
Executive Officers and Directors(1):				
Executive Officers				
Howard W. Lutnick	69,497,800(10)	100.0(4)	125,800,106(11)	35.8(12)
Shaun D. Lynn	—	—	5,368(13)	*
Stephen M. Merkel	—	—	60,033(14)	*
Sean A. Windeatt	—	—		*
Steven R. McMurray	—	—	17,115(15)	*
Directors				
John H. Dalton	—	—	135,053(16)	*
Stephen T. Curwood	—	—	13,278(17)	*
William J. Moran	—	—	37,292(18)	*
Linda A. Bell	—	—	21,081(19)	*
All executive officers and directors as a group (9 persons)	69,497,800	100.0	126,089,326	35.8(20)

* Less than 1% and percentages are based on 248,466,750 shares of our Class A common stock outstanding as of March 31, 2017.

(1) Based upon information supplied by directors, executive officers and 5% beneficial owners in filings under Sections 13(d) and 16(a) of the Securities Exchange Act of 1934, as amended.

(2) Cantor has agreed to pledge to us, pursuant to a Pledge Agreement, dated as of July 26, 2007, such number of shares of our Class A common stock and our Class B common stock as equals 125% of the principal amount of the loans outstanding on any given date, as security for loans we agreed to make to Cantor from time to time. In September 2008, we were authorized to increase the amount available under the secured loan and Pledge Agreement with Cantor from up to $100.0 million to all excess cash other than that amount needed for regulatory purposes, and to also accept, as security, pledges of any securities in addition to pledges of Class A common stock and Class B common stock provided for under the original secured loan and Pledge Agreement. As of April 24, 2017, there was no loan amount outstanding, and there were no shares of Class A common stock or Class B common stock pledged under the Pledge Agreement.

(3) Consists of (i) 34,799,362 shares of our Class B common stock held directly and (ii) 34,649,693 shares of our Class B common stock acquirable upon exchange of BGC Holdings exchangeable limited partnership interests. These exchangeable limited partnership interests held by Cantor are exchangeable with us at any time for shares of 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).

(4) Percentage based on (i) 34,848,107 shares of our Class B common stock outstanding and (ii) 34,649,693 shares of our Class B common stock acquirable upon exchange of BGC Holdings exchangeable limited partnership interests held by Cantor.

(5) Consists of (i) 14,085,330 shares of our Class A common stock held by Cantor, (ii) 34,799,362 shares of our Class A common stock acquirable upon conversion of 34,799,362 shares of our Class B common stock, and (iii) 51,183,176 shares of our Class A common stock acquirable upon exchange of 51,183,176 BGC Holdings exchangeable limited partnership interests. These amounts include an aggregate of 15,819,690 distribution rights shares consisting of (A) 14,038,084 April 2008 distribution rights shares and (B) 1,781,606 February 2012 distribution rights shares, which may generally be issued to certain Cantor partners upon request, or are scheduled to be distributed within 60 days of March 31, 2017.

(6) Percentage based on (i) 248,466,750 shares of our Class A common stock outstanding, (ii) 34,848,107 shares of our Class A common stock acquirable upon conversion of 34,848,107 shares of our Class B common stock, and (iii) 51,183,176 shares of our Class A common stock acquirable upon exchange of 51,183,176 BGC Holdings exchangeable limited partnership interests.

(7) Consists of (i) 48,745 shares of our Class B common stock held by CFGM, (ii) 34,799,362 shares of our Class B common stock held by Cantor, and (iii) 34,649,693 shares of our Class B common stock acquirable upon exchange by Cantor of BGC Holdings exchangeable limited partnership interests. CFGM is the managing general partner of Cantor.

(8) Consists of (i) 598,071 shares of our Class A common stock held by CFGM, (ii) 48,745 shares of our Class A common stock acquirable upon conversion of 48,745 shares of our Class B common stock held by CFGM, (iii) 2,050,197 April 2008 distribution rights shares held by CFGM, receipt of which has been deferred, (iv) 160,675 February 2012 distribution rights shares, receipt of which has been deferred, (v) 14,085,330 shares of our Class A common stock held by Cantor, (vi) 34,799,362 shares of our Class A common stock acquirable upon conversion of 34,799,362 shares of our Class B common stock held by Cantor, and (vii) 51,183,176 shares of our Class A common stock acquirable upon exchange of 51,183,176 BGC Holdings exchangeable limited partnership interests. These amounts include an aggregate of 15,819,690 distribution rights shares consisting of (A) 14,038,084 April 2008 distribution rights shares and (B) 1,781,606 February 2012 distribution rights shares, which may generally be issued to such partners upon request, or are scheduled to be distributed within 60 days of March 31, 2017.

(9) Percentage based on (i) 248,466,750 shares of our Class A common stock outstanding, (ii) 34,848,107 shares of our Class A common stock acquirable upon conversion of 34,848,107 shares of our Class B common stock, (iii) 51,183,176 shares of our Class A common stock acquirable upon exchange of 51,183,176 BGC Holdings exchangeable limited partnership interests, (iv) 2,050,197 April 2008 distribution rights shares held by CFGM, receipt of which has been deferred, and (v) 160,675 February 2012 distribution rights shares held by CFGM, receipt of which has been deferred.

(10) Consists of (i) 48,745 shares of our Class B common stock held by CFGM, (ii) 34,799,362 shares of our Class B common stock held by Cantor, and (iii) 34,649,693 shares of our Class B common stock acquirable upon exchange by Cantor of BGC Holdings exchangeable limited partnership interests. Mr. Lutnick is the President and sole stockholder of CFGM. CFGM is the managing general partner of Cantor.

(11) Mr. Lutnick's holdings consist of:

- (i) 1,000,000 shares of our Class A common stock subject to options currently outstanding and exercisable;
- (ii) 2,341,845 shares of our Class A common stock held directly;
- (iii) 435,302 shares of our Class A common stock held in Mr. Lutnick's 401(k) account (as of March 31, 2017);
- (iv) 4,531,143 shares of our Class A common stock held in various trust, retirement and custodial accounts ((A) 3,418,518 shares held in Mr. Lutnick's personal asset trust, of which he is the sole trustee, (B) 279,994 shares held by a trust for the benefit of descendants of Mr. Lutnick and his immediate family (the "Trust"), of which Mr. Lutnick's wife is one of two trustees and Mr. Lutnick has limited powers to remove and replace such trustees, (C) 205,288 shares held in a Keogh retirement account for Mr. Lutnick, (D) 578,289 shares held by trust accounts for the benefit of Mr. Lutnick and members of his immediate family, (E) 33,518 shares held in other retirement accounts, and (F) 15,536 shares held in custodial accounts for the benefit of certain members of Mr. Lutnick's family under the Uniform Gifts to Minors Act,

(v) 598,071 shares of our Class A common stock held by CFGM;
(vi) 48,745 shares of our Class A common stock acquirable upon conversion of 48,745 shares of our Class B common stock held by CFGM;
(vii) 14,085,330 shares of our Class A common stock held by Cantor;
(viii) 34,799,362 shares of our Class A common stock acquirable upon conversion of 34,799,362 shares of our Class B common stock held by Cantor;
(ix) 51,183,176 shares of our Class A common stock acquirable upon exchange of 50,558,414 BGC Holdings exchangeable limited partnership interests;
(x) 7,742,325 April 2008 distribution rights shares acquirable by Mr. Lutnick, receipt of which has been deferred;
(xi) 1,231,396 February 2012 distribution rights shares acquirable by Mr. Lutnick, receipt of which has been deferred;
(xii) 2,050,197 April 2008 distribution rights shares acquirable by CFGM, receipt of which has been deferred;
(xiii) 160,675 February 2012 distribution rights shares acquirable by CFGM, receipt of which has been deferred;
(xiv) 1,610,182 April 2008 distribution rights shares acquirable by the Trust, receipt of which has been deferred;
(xv) 2,048,000 April 2008 distribution rights shares acquirable by KBCR, by virtue of Mr. Lutnick being the managing member of KBCR, which is a non-managing General Partner of Cantor, receipt of which has been deferred;
(xvi) 287,967 February 2012 distribution rights shares acquirable by KBCR, receipt of which has been deferred;
(xvii) 161,842 April 2008 distribution rights shares acquirable by LFA, receipt of which has been deferred;
(xviii) 16,193 February 2012 distribution rights shares acquirable by LFA, receipt of which has been deferred;
(xix) 395,125 shares of our Class A common stock owned of record by KBCR;
(xx) 32,469 shares of our Class A common stock owned of record by LFA; and
(xxi) 1,040,761 shares of Class A common stock acquirable upon exchange of 1,040,761 BGC Holdings exchangeable limited partnership units.

Mr. Lutnick is the President and sole stockholder of CFGM and CFGM is the managing general partner of Cantor. These amounts include an aggregate of 15,819,690 distribution rights shares consisting of (A) 14,038,084 April 2008 distribution rights shares and (B) 1,781,606 February 2012 distribution rights shares, which may generally be issued to such partners upon request.

(12) Percentage based on (i) 248,466,750 shares of BGC Partners Class A common stock outstanding as; (ii) 34,848,107 shares of BGC Partners Class B common stock outstanding, (iii) 51,183,176 shares of BGC Partners Class A common stock acquirable upon exchange of 51,183,176 BGC Holdings exchangeable limited partnership interests, (iv) 1,000,000 shares of BGC Partners Class A common stock subject to options currently outstanding and exercisable, (v) 7,742,325 April 2008 distribution rights shares acquirable by Mr. Lutnick, receipt of which has been deferred; (vi) 1,231,396 February 2012 distribution rights shares acquirable by Mr. Lutnick, receipt of which has been deferred; (vii) 2,050,197April 2008 distribution rights shares acquirable by CFGM, receipt of which has been deferred, (viii) 160,675 February 2012 distribution rights shares acquirable by CFGM, receipt of which has been deferred, (ix) 1,610,182 shares of BGC Partners Class A common stock receivable by pursuant to April 2008 distribution rights shares held by a trust for the benefit of Mr. Lutnick's family, receipt of which has been deferred, (x) 2,048,000 shares of BGC Partners Class A common stock receivable pursuant to April 2008 distribution rights shares held by KBCR, receipt of which has been deferred, (xi) 287,967 February 2012 distribution rights shares acquirable by KBCR, receipt of which has been deferred, (xii) 161,842 April 2008 distribution rights shares acquirable by LFA, receipt of which has been deferred, (xiii) 16,193 February 2012 distribution rights shares acquira2ble by LFA, receipt of which has been deferred, and (xiv) 1,040,761 shares of BGC Partners Class A common stock acquirable upon exchange of 1,040,761 BGC Holdings exchangeable limited partnership units,

(13) Mr. Lynn's holdings consist of 5,368 shares of our Class A common stock held directly.

(14) Mr. Merkel's holdings consist of (i) 18,347 shares of our Class A common stock held in Mr. Merkel's 401(k) account (as of March 31, 2017), (ii) 39,436 shares of our Class A common stock held directly by Mr. Merkel, and (iii) 2,250 shares of our Class A common stock beneficially owned by Mr. Merkel's spouse.

(15) Mr. McMurray's holdings consist of 17,115 shares of Class A common stock acquirable upon exchange of 17,115 BGC Holdings exchangeable limited partnership units.

(16) Mr. Dalton's holdings consist of (i) 120,013 shares of our Class A common stock held directly, (ii) 7,955 shares held in a trust for the benefit of the Mr. Dalton's children, and (iii) 7,085 shares of our Class A common stock subject to options currently outstanding and exercisable.

(18) Mr. Curwood's holdings consist of 13,278 shares of our Class A common stock held directly.

(19) Mr. Moran's holdings consist of 37,292 shares of our Class A common stock held directly.

(20) Dr. Bell's holdings consist of 21,081 shares of our Class A common stock held directly.

(21) Percentage based on (i) 248,466,750 shares of our Class A common stock outstanding, (ii) 34,848,107 shares of our Class A common stock acquirable upon conversion of 34,848,107 shares of our Class B common stock outstanding, (iii) 51,183,176 shares of our Class A common stock acquirable upon exchange of 51,183,176 BGC Holdings exchangeable limited partnership interests, (iv) 1,007,085 shares of our Class A common stock subject to options currently outstanding and exercisable, (v) 1,040,761 shares of Class A common stock acquirable upon exchange of 1,040,761 BGC Holdings exchangeable limited partnership units, and (vi) 15,819,690 distribution rights shares, receipt of which has been deferred.

Equity Compensation Plan Information as of December 31, 2016

	Number of securities to be issued upon exercise of outstanding restricted stock units, options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity Plan (approved by security holders)	14,407,666	$ 9.92	211,775,331
Equity compensation plans not approved by security holders	—	—	—
Total	14,407,666	$ 9.92	211,775,331

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FEES

The following table sets forth the aggregate fees incurred by us for audit and other services rendered by Ernst & Young, LLP ("Ernst & Young") during the years ended December 31, 2016 and 2015:

	Year Ended December 31,	
	2016	2015
Audit fees	$7,887,960	$ 8,365,000
Audit-related fees	1,612,189	678,750
Tax fees	373,794	1,049,443
All other fees	—	24,500
Total	$9,873,944	$10,117,693

"Audit-related fees" are fees for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and internal control over financial reporting, including audit fees for the Company's employee benefit plan. "Tax fees" are fees for tax compliance, tax advice and tax planning, and "all other fees" are fees for any services not included in the other categories. The amounts set forth above for "Audit fees," "Audit-related fees" and "Tax Fees" during 2016 include fees paid for Ernst & Young's services rendered to GFI, after it became our majority-owned consolidated subsidiary in February 2015, including review services rendered to GFI in connection with the filing of its 2016 Forms 10-Q with the SEC and services related to GFI's tax compliance.

AUDIT COMMITTEE'S PRE-APPROVAL POLICIES AND PROCEDURES

During 2016, our Audit Committee specifically approved the appointment of Ernst & Young to be our independent auditors for the year ended December 31, 2016. Ernst & Young was also approved to perform reviews of our quarterly financial reports within the year ended December 31, 2016 and certain other audit-related services such as accounting consultations. Pursuant to our Audit Committee Charter, the Audit Committee will pre-approve all auditing services, internal control-related services and permitted non-audit services (including the fees and terms thereof) to be performed for us by our independent auditors, subject to certain minimum exceptions set forth in the Charter. GFI's Audit Committee approved Ernst & Young's appointment and fees for services rendered to GFI, and performed the oversight role with respect to all services provided to GFI, from the date of Ernst & Young's engagement by GFI in February 2015 until the closing of the back-end merger in January 2016.

REPORT OF THE AUDIT COMMITTEE OF OUR BOARD OF DIRECTORS

The Audit Committee of the Board of Directors is made up solely of independent directors, as defined under applicable Nasdaq Stock Market and Securities and Exchange Commission ("SEC") rules, and it operates under a written Charter adopted by the Board of Directors and the Audit Committee. The composition of the Audit Committee, the attributes of its members and its responsibilities, as reflected in its Charter, are intended to be in accordance with applicable requirements for corporate audit committees. The Audit Committee reviews and assesses the adequacy of its Charter on an annual basis. A copy of the Charter is available on the BGC Partners, Inc. (the "Company") website at *www.bgcpartners.com/disclaimers/* under the heading "Investor Relations," or upon written request from the Company free of charge.

As described more fully in its Charter, the primary function of the Audit Committee is to assist the Board of Directors in its general oversight of the Company's financial reporting, internal control over financial reporting and audit process. Management is responsible for the preparation, presentation and integrity of the Company's financial statements; accounting and financial reporting principles; internal control over financial reporting; and procedures designed to ensure compliance with accounting standards, applicable laws and regulations. The Company's independent registered public accounting firm (the "Auditors") is responsible for performing an independent audit of the Company's annual consolidated financial statements, and a review of its quarterly consolidated financial statements, in accordance with the standards of the Public Company Accounting Oversight Board (the "PCAOB"), and an independent audit of the Company's internal control over financial reporting and on the effectiveness of such control.

The Audit Committee has the sole authority to appoint or replace the Auditors, and is directly responsible for the oversight of the scope of the Auditors' role and the determination of its compensation.

Although Mr. Moran has experience that qualifies him as an "audit committee financial expert," none of the Audit Committee members are currently professional accountants or auditors, and their functions are not intended to duplicate or to certify the activities of management and the Auditors, nor can the Audit Committee certify that the Auditors are "independent" under applicable rules. The Audit Committee serves a board-level oversight role, in which it provides advice, counsel and direction to management and the Auditors on the basis of the information it receives, discussions with management and the Auditors, and the experience of the Audit Committee's members in business, financial and accounting matters.

The Audit Committee has an annual agenda that includes reviewing the Company's financial statements, internal control and audit matters as well as related party transactions. The Audit Committee meets each quarter with management and the Auditors to review the Company's interim financial results before the publication of the Company's quarterly financial results press releases, and periodically in executive sessions. Management's and the Auditors' presentations to and discussions with the Audit Committee cover various topics and events that may have significant financial impact and/or are the subject of discussions between management and the Auditors.

In accordance with Audit Committee policy and the requirements of law, all services to be provided by the Auditors and their affiliates are subject to pre-approval by the Committee. This includes audit services, audit-related services, and any tax services and other services. In addition, the Audit Committee regularly evaluates the performance and independence of the Auditors. Accordingly, the Audit Committee has reviewed and pre-approved all services provided by Ernst & Young subsequent to the firm's engagement in 2008. The Audit Committee of GFI similarly reviewed and pre-approved all services provided by Ernst & Young pursuant to the firm's engagement by GFI in February 2015.

In fulfilling its responsibilities, the Audit Committee has met and held discussions with management and Ernst & Young regarding the fair and complete presentation of the Company's financial results. The Audit Committee has discussed significant accounting policies applied by the Company in its financial statements, as well as alternative treatments. The Audit Committee has met to review and discuss the Company's annual audited and quarterly consolidated financial statements for the fiscal year ended December 31, 2016 (including the disclosures contained in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations") with management and Ernst & Young. The

Audit Committee also reviewed and discussed with management, the internal auditors and Ernst & Young the Company's compliance with Section 404 of the Sarbanes-Oxley Act, namely, management's annual report on the Company's internal control over financial reporting.

The Audit Committee has discussed with Ernst & Young the matters required to be discussed by Statement on Auditing Standards No. 61, "*Communication with Audit Committees*" (Codification of Statement on Auditing Standards, AU §380), as modified or supplemented. In addition, the Audit Committee has received and reviewed the written disclosures and the letter from Ernst & Young required by applicable requirements of the PCAOB regarding the communications of Ernst & Young with the Audit Committee concerning independence, and has discussed with Ernst & Young the firm's independence from the Company and management, including all relationships between the firm and the Company. The Audit Committee also has considered whether the provision of permitted non-audit services by Ernst & Young is compatible with maintaining the firm's independence.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board approved, the inclusion of the audited financial statements of the Company in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed with the SEC on February 28, 2017.

Dated: April 24, 2017

THE AUDIT COMMITTEE

William J. Moran, Chairman
John H. Dalton
Stephen T. Curwood
Linda A. Bell

PROPOSAL 2—APPROVAL OF AN ADVISORY VOTE ON EXECUTIVE COMPENSATION

In accordance with Section 14A of the Securities Exchange Act of 1934, which we refer to as the "Exchange Act," added by the Dodd-Frank Wall Street Reform and Consumer Protection Act, which we refer to as the "Dodd-Frank Act," and the related rules of the SEC, we are providing our stockholders with an advisory vote on executive compensation. This stockholder advisory vote will not be binding on the Company, the Board of Directors, or the Compensation Committee.

As discussed in our Compensation Discussion and Analysis, our executive compensation program, which is under the direction and control of our Compensation Committee, is designed to integrate our executive compensation with the achievement of our short-term and long-term business objectives and to assist us in attracting, motivating and retaining the highest quality executive officers and rewarding them for superior performance. Different components of our executive compensation program are geared to short-term and longer-term performance, with the goal of increasing stockholder value over the long term.

We believe that the compensation of our executive officers should reflect their success in attaining key corporate objectives, such as growth or maintenance of market position, success in attracting and retaining qualified brokers and other professionals, increasing or maintaining revenues and/or profitability, developing new products and marketplaces, completing acquisitions, dispositions, restructurings, and other value-enhancing transactions and integrating any such transactions, as applicable, meeting established goals for operating earnings, earnings per share and increasing the total return for stockholders, including stock price and dividend increases, and maintaining and developing customer relationships and long-term competitive advantage. We also believe that executive compensation should reflect achievement of individual managerial objectives established for specific executive officers at the beginning of the fiscal year as well as reflect specific achievements by such individuals over the course of the year. We further believe that specific significant events led by executives, including acquisitions, dispositions and other significant transactions, should be given significant weight. We believe that the performance of our executives in managing our Company, considered in light of general economic and specific Company, industry and competitive conditions, should be the basis for determining their overall compensation.

We also believe that the compensation of our executive officers should not generally be based on the short-term performance of our Class A common stock, whether favorable or unfavorable, but rather that the price of our stock will, in the long term, reflect our overall performance and, ultimately, the management of our Company by our executives. We believe that the long-term performance of our stock is reflected in executive compensation through the grant of awards, including limited partnership units and related exchange rights and cash settlement awards, restricted stock, restricted stock units, and other equity and partnership awards.

Stockholders are encouraged to read our Compensation Discussion and Analysis in this proxy statement for more detailed information about our executive compensation program and how it reflects our philosophy and is linked to our performance. The non-binding stockholder advisory vote on executive compensation is not intended to address any specific component of our executive compensation program; rather, the vote relates to the overall compensation of our named executive officers, as described in this proxy statement in accordance with the compensation disclosure rules of the SEC.

We will ask our stockholders to approve the following resolution at the Annual Meeting:

> **RESOLVED**, that the Company's stockholders approve, on an advisory basis, the compensation paid to the Company's named executive officers, as disclosed in the Company's proxy statement for the 2017 Annual Meeting of Stockholders pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narratives.

VOTE REQUIRED FOR APPROVAL

The affirmative vote of the holders of a majority of the Total Voting Power present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve the resolution. Abstentions will have the same effect as a vote against the proposal, but broker non-votes will have no effect on the vote. However, the stockholder vote on executive compensation is advisory and, therefore, not binding on the Company, the Board of Directors, or the Compensation Committee. Nevertheless, the Board and the Committee will take into account the outcome of the stockholder advisory vote when making future executive compensation decisions.

RECOMMENDATION OF OUR BOARD OF DIRECTORS AND COMPENSATION COMMITTEE

OUR BOARD OF DIRECTORS AND COMPENSATION COMMITTEE RECOMMEND THAT ALL STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE RESOLUTION.

PROPOSAL 3—APPROVAL OF AN ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION

In addition to the stockholder advisory vote on executive compensation in Proposal 2 above, in accordance with Section 14A of the Exchange Act added by the Dodd-Frank Act, and the related SEC rules, we are providing our stockholders with an opportunity to vote, on an advisory basis, on whether future stockholder advisory votes on executive compensation should be held every year, every two years, or every three years. Stockholders also have the option of abstaining from this advisory frequency vote. This stockholder advisory vote will not be binding on the Company, the Board of Directors, or the Compensation Committee.

After careful consideration, and upon the recommendation of our Compensation Committee, our Board of Directors is recommending a vote in favor of holding a stockholder advisory vote on executive compensation every three years. In reaching this recommendation, the Board and Committee have considered the relevant legislative and regulatory requirements, the Company's executive compensation program and policies and practices, and the views expressed by the Company's stockholders, including Cantor.

The Board has determined that, on balance, holding a stockholder advisory vote on executive compensation every three years, with the flexibility to hold such a vote more frequently if appropriate, is the best approach for the Company at this time for the following reasons:

- A three-year vote cycle is consistent with the long-term focus of the Company's compensation objectives and program, as discussed in our Compensation Discussion and Analysis contained in this proxy statement.
- The stockholder advisory vote on executive compensation is an additional, but not exclusive, opportunity for stockholders to communicate with the Board and the Compensation Committee regarding the Company's executive compensation program.
- A longer vote cycle reinforces a longer-term perspective with respect to our executive compensation program, providing the Compensation Committee with time to evaluate the results of the most recent stockholder advisory vote on executive compensation, as well as to develop and implement changes to the Company's compensation policies and practices that may be appropriate, and then providing both the Committee and the stockholders with the opportunity to assess the impact of those changes before the next such stockholder advisory vote.

Stockholders may vote on their preferred voting frequency for holding future advisory votes on executive compensation by choosing the option of one year, two years, or three years, or may abstain from voting. In considering this proposal, stockholders may wish to review the information presented in connection with the advisory vote on executive compensation (Proposal 2) above and in our Compensation Discussion and Analysis in this proxy statement.

VOTE REQUIRED FOR APPROVAL

The affirmative vote of the holders of a majority of the Total Voting Power present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve a frequency option for the holding of future advisory votes on executive compensation. Abstentions will have the same effect as a vote against the proposal, but broker non-votes will have no effect on the vote. The vote on this frequency proposal is not intended to approve or disapprove the three-year recommendation of the Board of Directors and the Compensation Committee. If one of the frequency options (one year, two years, or three years) receives such a majority of the Total Voting Power, it will be approved as the frequency preferred by the stockholders. However, even if one of the frequency options obtains a majority vote, the vote is still advisory and, therefore, not binding on the Company, the Board of Directors, or the Compensation Committee. Nevertheless, the Board and the Committee will take into account the outcome of this stockholder advisory vote in determining how frequently to hold future advisory votes on executive compensation.

RECOMMENDATION OF OUR BOARD OF DIRECTORS AND COMPENSATION COMMITTEE

OUR BOARD OF DIRECTORS AND COMPENSATION COMMITTEE RECOMMEND THAT ALL STOCKHOLDERS VOTE "3 YEARS" AS THE FREQUENCY WITH WHICH STOCKHOLDERS ARE PROVIDED AN ADVISORY VOTE ON EXECUTIVE COMPENSATION.

PROPOSAL 4—APPROVAL OF THE SECOND AMENDED AND RESTATED BGC PARTNERS, INC. INCENTIVE BONUS COMPENSATION PLAN

In order to allow for certain awards under the First Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan to continue to qualify as tax-deductible "performance-based compensation" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended to date, which we refer to as the "Code," we are asking stockholders to approve the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan, which we refer to as the "Incentive Plan," effective for any "performance period" commencing on or after January 1, 2017, in order to approve the material terms of the performance goals under the Incentive Plan for compliance with Section 162(m) of the Code, including an amendment to those performance goals in order to broaden the stock price performance goal to include dividends and/or total stockholder return.

Stockholders are not being asked to approve any other amendments to the Incentive Plan. Approval of this Proposal 4 will not increase the aggregate number of shares issuable under the Equity Plan in respect of awards under the Incentive Plan and, accordingly, will not result in any additional dilution to stockholders.

Our Board believes that it is in the best interests of the Company and its stockholders to continue providing an incentive plan under which compensation awards made to executive officers can be deducted by the Company for federal income tax purposes. The Incentive Plan has been structured in a manner such that awards granted under it may satisfy the requirements for "performance-based compensation" within the meaning of Section 162(m). Under Section 162(m), the federal income tax deductibility of compensation paid to our Chief Executive Officer and certain other executive officers may be limited to the extent that such compensation exceeds $1,000,000 in any fiscal year. However, compensation that satisfies the requirements for "performance-based compensation" as defined in Section 162(m) is not subject to this limit and, therefore, is generally deductible in full by the Company. One of the requirements of "performance-based compensation" for purposes of Section 162(m) is that the material terms of the performance goals under which compensation may be paid be disclosed to and approved by our stockholders every five years. For purposes of Section 162(m), the material terms include (i) the employees eligible to receive compensation, (ii) a description of the business criteria on which the performance goals are based and (iii) the maximum amount of compensation that can be paid to an employee under the performance goals. Each of these aspects is discussed below.

The Incentive Plan, as proposed to be amended and restated, is set forth in Annex A to this proxy statement, and the following description of the Plan is only intended to be a summary of the material provisions of the Plan. Such summary is qualified in its entirety by the actual text of the Plan to which reference is made.

Description of the Incentive Plan

The purpose of the Incentive Plan is to (i) attract, retain and reward key employees by providing them with the opportunity to earn bonuses that are based on the achievement of specified performance goals, and (ii) structure such bonus opportunities in a way that will qualify the payments made as "performance-based" for purposes of Section 162(m) of the Code so that we will be entitled to a federal income tax deduction for the payment of such incentive bonuses to such employees. Neither the Plan nor its submission to our stockholders for approval will limit the power of the Board of Directors or the Compensation Committee to adopt such other bonus or incentive arrangements as it may deem appropriate.

The Incentive Plan is administered by our Compensation Committee. The Committee has broad administrative authority to, among other things, designate participants, establish performance goals and performance periods, determine the timing of the payment of bonuses, and interpret and administer the Plan.

Participants in the Incentive Plan for any given performance period may include any of our key employees, including those of our subsidiaries, operating units and divisions, who is designated as a participant for such period by the Compensation Committee. The participants in the Plan for any given performance period will be designated by the Committee, in its sole discretion, before the end of the 90th day of such performance period or the date on which 25% of such performance period has been completed, which we refer to as the "Applicable Period." This determination may vary from period to period. Bonuses paid under the Plan may be made in the form of cash, shares of our Class A common stock or other stock-based awards under our Equity Plan, or partnership unit awards under the Participation Plan. Currently, we estimate that approximately five persons are eligible to participate in the Plan.

Within the Applicable Period, the Compensation Committee will specify the applicable performance criteria and targets to be used under the Incentive Plan for such performance period. These performance criteria may vary from participant to participant and will be based on one or more of the following measures: (i) pre-tax or after-tax net income; (ii) pre-tax or after-tax operating income; (iii) gross revenue; (iv) profit margin; (v) stock price, dividends and/or total stockholder return, (vi) cash flows; (vii) market share; (viii) pre-tax or after-tax earnings per share; (ix) pre-tax or after-tax operating earnings per share; (x) expenses; (xi) return on equity; or (xii) strategic business criteria consisting of one or more objectives based upon meeting specified revenue, market penetration or geographic business expansion goals, cost targets and goals relating to acquisitions or divestitures. These performance criteria or goals may be: (a) expressed on an absolute or relative basis, including comparisons to the performance of other companies; (b) based on internal targets; (c) based on comparisons with prior performance; and (d) based on comparisons to capital, stockholders' equity, shares outstanding, assets or net assets. The determination of whether any performance goal is satisfied will be made in accordance with U.S. GAAP, to the extent relevant, without regard to extraordinary items, changes in accounting, unless the Committee determines otherwise, or non-recurring acquisition expenses and restructuring charges. However, in connection with any goal that is based on operating income or operating earnings, the calculation may be made on the same basis as reflected in a release of earnings for a previously completed period, as specified by the Committee. For example, an income-based performance measure could be expressed in a number of ways, such as net earnings per share or return on equity, and with reference to meeting or exceeding a specific target, or with reference to growth above a specified level, such as a prior year's performance or current or previous peer group performance. The Plan provides that the achievement of such goals must be substantially uncertain at the time they are established, and bonus opportunities are subject to the Committee's right to reduce the amount of any bonus payable as a result of such performance, as discussed below.

The bonus opportunity for each participant may be expressed as a dollar-denominated amount or by reference to a formula, such as a percentage share of a bonus pool to be created under the Incentive Plan or a multiple of annual base salary. If a pool approach is used, the total bonus opportunities represented by the shares designated for the participants may not exceed 100% of the pool. In all cases, the Compensation Committee has the sole discretion to reduce (but not to increase) the actual bonuses paid under the Plan. The actual bonus paid to any given participant at the end of a performance period will be based on the extent to which the applicable performance goals for such performance period are achieved, as determined by the Committee. The maximum bonus payable under the Plan to any one individual in any one calendar year is $25 million, including with respect to the 2017 bonus opportunities, as described in "Compensation Discussion and Analysis" in this proxy statement.

Our Board of Directors may at any time amend or terminate the Incentive Plan, provided that (i) without the participant's written consent, no such amendment or termination may adversely affect the bonus rights (if any) of any already designated participant for a given performance period once the participant designations and performance goals for such performance period have been announced; and (ii) the Board will be authorized to make any amendments necessary to comply with applicable regulatory requirements, including, without limitation, Section 162(m) of the Code. Amendments to the Plan will require stockholder approval only if required under Section 162(m) of the Code or other applicable law or regulation.

Material Federal Income Tax Consequences

The following is a brief description of the federal income tax consequences generally arising with respect to bonuses paid under the Incentive Plan. This discussion is intended for the information of our stockholders considering how to vote at the Annual Meeting and not as tax guidance to individuals who may participate in the Plan. This summary does not address the effects of other federal taxes or taxes imposed under state, local or foreign tax laws.

Section 162(m) of the Code generally disallows a publicly held corporation's federal income tax deduction in excess of $1,000,000 for compensation paid to its chief executive officer and certain of its other most highly compensated named executive officers, subject to an exception for compensation paid under a stockholder-approved plan that is "performance-based" within the meaning of Section 162(m) of the Code. The Incentive Plan provides a means for us to pay performance-based bonuses to certain of our key employees while preserving our tax deduction with respect to the payment of such bonuses.

Under present federal income tax law, a participant will generally realize ordinary income equal to the amount of the bonus received under the Incentive Plan in the year of such receipt. We will receive a tax deduction for the amount constituting ordinary income to the participant, provided that the participant's total compensation is below the limit established by Section 162(m) of the Code or the Plan award satisfies the requirements of the performance-based exception of Section 162(m) of the Code. We intend that the Plan be adopted and administered in a manner that preserves the deductibility of Plan compensation under Section 162(m) of the Code.

Under Section 409A of the Code, an award under the Incentive Plan may be taxable to the recipient at 20 percentage points above ordinary income tax rates at the time the award becomes vested, plus interest and penalties, if the award constitutes "deferred compensation" under Section 409A of the Code and the requirements of Section 409A of the Code are not satisfied.

The Incentive Plan provides that we have the right to withhold from any bonus payable to a participant an amount necessary to satisfy our federal, state and local tax withholding obligations.

VOTE REQUIRED FOR APPROVAL

The affirmative vote of the holders of a majority of the Total Voting Power present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan. Abstentions will have the same effect as a vote against the proposal, but broker non-votes will have no effect on the vote.

RECOMMENDATION OF OUR BOARD OF DIRECTORS AND COMPENSATION COMMITTEE

OUR BOARD OF DIRECTORS AND COMPENSATION COMMITTEE RECOMMEND THAT ALL STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE SECOND AMENDED AND RESTATED BGC PARTNERS, INC. INCENTIVE BONUS COMPENSATION PLAN.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Review, Approval and Ratification of Transactions with Related Persons

The general policy of our Company and our Audit Committee is that all material transactions with a related party, including transactions with Cantor, the relationship between us and Cantor and agreements with related parties, as well as all material transactions in which there is an actual, or in some cases, perceived, conflict of interest, including repurchases of Class A common stock or purchases of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor or our executive officers (see "—Repurchases and Purchases"), are subject to prior review and approval by our Audit Committee, which will determine whether such transactions or proposals are fair and reasonable to our stockholders. In general, potential related party transactions are identified by our management and discussed with the Audit Committee at Audit Committee meetings. Detailed proposals, including, where applicable, financial and legal analyses, alternatives and management recommendations, are provided to the Audit Committee with respect to each issue under consideration and decisions are made by the Audit Committee with respect to the foregoing related-party transactions after opportunity for discussion and review of materials. When applicable, the Audit Committee requests further information and, from time to time, requests guidance or confirmation from internal or external counsel or auditors. Our policies and procedures regarding related party transactions are set forth in our Audit Committee Charter and Code of Business Conduct and Ethics, both of which are publicly available on our website at *www.bgcpartners.com/disclaimers/* under the heading "Investor Info."

The 2008 Merger and the Merger Agreement

The Merger

BGC Partners, Inc. was created as a result of the April 1, 2008 merger with eSpeed and the issuance of stock and limited partnership units in that transaction and the entry into a separation agreement setting forth the rights, obligations and liabilities of the parties related to the transferred businesses (the "Separation Agreement").

License

We entered into a license agreement with Cantor on April 1, 2008 with respect to a non-exclusive, perpetual, irrevocable, worldwide, non-transferable and royalty-free license to all software, technology and intellectual property in connection with the operation of Cantor's business.

The license will not be transferable except to any purchaser of all or substantially all of the business or assets of Cantor or its subsidiaries or to any purchaser of a business, division or subsidiary of Cantor or its subsidiaries pursuant to a bona fide acquisition of a line of business of Cantor or its subsidiaries (provided that (a) such purchaser agrees not to use the software, technology and intellectual property provided under the license to create a fully electronic brokerage system that competes with eSpeed's fully electronic systems for U.S. Treasuries and foreign exchange, (b) we are a third-party beneficiary of the transferee's agreement in clause (a) above and (c) Cantor enforces its rights against the purchaser to the extent that it breaches its obligations under clause (a) above). Cantor has granted to us a non-exclusive, perpetual, irrevocable, worldwide, non-transferable and royalty-free license to all intellectual property used in connection with our business operations. The license is not transferable except to a purchaser of all or substantially all of our business or assets or business, division or subsidiaries pursuant to a bona fide acquisition of our line of business. Cantor also agreed that it will not use or grant any aspect of the license to create a fully electronic brokerage system that competes with our fully electronic systems for U.S. Treasuries and foreign exchange.

Corporate Governance Matters

Until six months after Cantor ceases to hold 5% of our voting power, transactions or arrangements between us and Cantor will be subject to prior approval by a majority of the members of our Board of Directors who have been found to qualify as "independent" in accordance with the published listing requirements of Nasdaq. See "—Potential Conflicts of Interest and Competition with Cantor."

During the same timeframe, we and Cantor also agreed not to employ or engage any officer or employee of the other party without the other party's written consent. However, either party may employ or engage any person who responds to a general solicitation for employment. Cantor may also hire any of our employees who are not brokers and who devote a substantial portion of their time to Cantor or Cantor-related matters or who manage or supervise any such employee, unless such hiring precludes us from maintaining and developing our intellectual property in a manner consistent with past practice. Cantor provides an updated list of such persons to us promptly as necessary.

Continuing Interests in Cantor

The founding partners and other limited partners of Cantor, including Messrs. Lutnick, Lynn, Merkel and Windeatt, received distribution rights in connection with the separation of the BGC businesses from Cantor prior to the merger (the "separation"). The distribution rights of founding partners, including Messrs. Lynn and Windeatt, entitled the holder to receive a fixed number of shares of the BGC Partners Class A common stock, with one-third of such shares distributable on each of the first, second and third anniversaries of the merger. The distribution rights of the retained partners in Cantor who did not become founding partners, including Messrs. Lutnick and Merkel, generally entitled the holder to receive a distribution of a fixed number of shares of BGC Partners common stock over a two or three year period following the merger, depending on the holding period of units in respect of which the distribution rights were received.

Cantor offered to retained partners the opportunity to elect to defer their receipt of such distribution rights shares and receive a distribution equivalent from Cantor rather than receiving an immediate distribution of such shares. Retained partners who elected to defer their right to receive such shares are entitled to receive their shares upon written notice to Cantor. Such shares will be delivered to such partners on such subsequent dates after receipt of such notice as shall be determined by Cantor in its administrative discretion, and Cantor shall have a right to defer such distributions for up to three months, although Cantor generally makes such distributions on a quarterly basis to such partners.

As of April 1, 2017, the aggregate number of remaining April 2008 distribution rights shares and February 2012 distribution rights shares that Cantor is obligated to distribute to retained and founding partners is 14,038,084 shares and 1,781,606 shares, respectively, of our Class A common stock.

Commissions; Market Data; Clearing

Cantor has the right to be a customer of ours and to pay the lowest commission paid by any other of our customers or our affiliates, whether by volume, dollar or other applicable measurement. However, this right will terminate upon the earlier of a change of control of Cantor and the last day of the calendar quarter during which Cantor represents one of our 15 largest customers in terms of transaction volume. Cantor also has an unlimited right to internally use market data from BGCantor Market Data without cost, but Cantor does not have the right to furnish such data to any third party.

During the three-year period following the closing of the separation, Cantor provided us with services that we determined were reasonably necessary in connection with the clearance, settlement and fulfillment of futures transactions by us. We received from Cantor all of the economic benefits and burdens associated with Cantor's performance of such services. Although this arrangement with Cantor is continuing, we are using our commercially reasonable efforts to reduce and eliminate our need for such services from Cantor.

Reinvestments in the Opcos; Co-Investment Rights; Distributions to Holders of Our Common Stock

We are a holding company, and our businesses are operated through two operating partnerships, which we refer to as the "Opcos": BGC U.S., which holds our U.S. businesses, and BGC Global, which holds our non-U.S. businesses. In order to maintain our economic interest in the Opcos, any net proceeds received by us from any subsequent issuances of our common stock other than upon exchange of BGC Holdings exchangeable limited partnership interests will be indirectly contributed to BGC U.S. and BGC Global in exchange for BGC U.S. limited partnership interests and BGC Global limited partnership interests consisting of a number of BGC U.S. units and BGC Global units that will equal the number of shares of our common stock issued.

In addition, we may elect to purchase from the Opcos an equal number of BGC U.S. units and BGC Global units through cash or non-cash consideration. In the future, from time to time, we also may use cash on hand and funds received from distributions from BGC U.S. and BGC Global to purchase shares of common stock or BGC Holdings exchangeable limited partnership interests.

In the event that we acquire any additional BGC U.S. limited partnership interests and BGC Global limited partnership interests from BGC U.S. or BGC Global, Cantor would have the right to cause BGC Holdings to acquire additional BGC U.S. limited partnership interests and BGC Global limited partnership interests from BGC U.S. and BGC Global, respectively, up to the number of BGC U.S. units and BGC Global units that would preserve Cantor's relative indirect economic percentage interest in BGC U.S. and BGC Global compared to our interests immediately prior to the acquisition of such additional partnership units by us, and Cantor would acquire an equivalent number of additional BGC Holdings limited partnership interests to reflect such relative indirect interest. The purchase price per BGC U.S. unit and BGC Global unit for any such BGC U.S. limited partnership interests and BGC Global limited partnership interests issued indirectly to Cantor pursuant to its co-investment rights will be equal to the price paid by us per BGC U.S. unit and BGC Global unit. Any such BGC Holdings limited partnership interests issued to Cantor will be designated as exchangeable limited partnership interests.

Cantor will have 10 days after the related issuance of BGC U.S. limited partnership interests and BGC Global limited partnership interests to elect such reinvestment and will have to close such election no later than 120 days following such election.

In addition, the Participation Plan provides for issuances, in the discretion of our Compensation Committee or its designee, of BGC Holdings limited partnership interests to current or prospective working partners and executive officers of BGC Partners. Any net proceeds received by BGC Holdings for such issuances generally will be contributed to BGC U.S. and BGC Global in exchange for BGC U.S. limited partnership interests and BGC Global limited partnership interests consisting of a number of BGC U.S. units and BGC Global units equal to the number of BGC Holdings limited partnership interests being issued so that the cost of such compensation award, if any, is borne pro rata by all holders of the BGC U.S. units and BGC Global units, including by us. Any BGC Holdings limited partnership interests acquired by the working partners, including any such interests acquired at preferential or historical prices that are less than the prevailing fair market value of our Class A common stock, will be designated as BGC Holdings working partner interests and will generally receive distributions from BGC U.S. and BGC Global on an equal basis with all other limited partnership interests.

To the extent that any BGC U.S. units and BGC Global units are issued pursuant to the reinvestment and co-investment rights described above, an equal number of BGC U.S. units and BGC Global units will be issued. It is the non-binding intention of us, BGC U.S., BGC Global and BGC Holdings that the aggregate number of BGC U.S. units held by the BGC Holdings group at a given time divided by the aggregate number of BGC Holdings units issued and outstanding at such time is at all times equal to one, which ratio is referred to herein as the "BGC Holdings ratio," and that the aggregate number of BGC U.S. units held by the BGC Partners group at a given time divided by the aggregate number of shares of our common stock issued and outstanding as of such time is at all times equal to one, which ratio is referred t to herein as the "BGC Partners ratio." In furtherance of such non-binding intention, in the event of any issuance of BGC U.S. limited partnership interests and BGC Global limited partnership interests to us pursuant to voluntary reinvestment, immediately following such an issuance, we will generally declare a pro rata stock dividend to our stockholders, and in the event of any issuance of BGC U.S. limited partnership interests and BGC Global limited partnership interests to BGC Holdings pursuant to its co-investment rights, BGC Holdings will generally issue a pro rata unit distribution to its partners.

Amended and Restated BGC Holdings Limited Partnership Agreement

On March 31, 2008, the limited partnership agreement of BGC Holdings was amended and restated and was further amended as of March 1, 2009, August 3, 2009, March 12, 2010, August 6, 2010, December 31, 2010, March 15, 2011, September 9, 2011, December 17, 2012, November 6, 2013, May 9, 2014, November 4, 2015 and December 14, 2016.

Management

BGC Holdings is managed by its general partner. We hold the BGC Holdings general partnership interest and the BGC Holdings special voting limited partnership interest, which entitles us to control BGC Holdings and to remove and appoint the general partner of BGC Holdings.

Under the BGC Holdings limited partnership agreement, we, as the BGC Holdings general partner, manage the business and affairs of BGC Holdings. However, Cantor's consent is required for amendments to the BGC Holdings limited partnership agreement, to decrease distributions to BGC Holdings limited partners to less than 100% of net income received by BGC Holdings (other than with respect to selected extraordinary items as described above), to transfer any BGC U.S. or BGC Global partnership interests beneficially owned by BGC Holdings and to take any other actions that may adversely affect Cantor's exercise of its co-investment rights to acquire BGC Holdings limited partnership interests, its right to purchase BGC Holdings founding partner interests and its right to exchange the BGC Holdings exchangeable limited partnership interests. Cantor's consent is also required in connection with transfers of BGC Holdings limited partnership interests by other limited partners and the issuance of additional BGC Holdings limited partnership interests outside of the Participation Plan. As described below under "—Exchanges," BGC Holdings founding partner interests are only exchangeable if Cantor so determines.

Any working partner interests that are issued will not be exchangeable with us unless otherwise determined by us with the written consent of a BGC Holdings exchangeable limited partnership interest majority in interest, in accordance with the terms of the BGC Holdings limited partnership agreement.

As described below under "—Exchanges," the employee-owned partnership interests will only be exchangeable for our Class A common stock in accordance with the terms and conditions of the grant of such interests, which terms and conditions will be determined by the BGC Holdings general partner with the written consent of the BGC Holdings exchangeable limited partnership interest majority in interest, in accordance with the terms of the BGC Holdings limited partnership agreement.

The BGC Holdings limited partnership agreement also provides that BGC Holdings, in its capacity as the general partner of each of BGC U.S. and BGC Global, requires Cantor's consent to amend the terms of the BGC U.S. or BGC Global limited partnership agreements or take any other action that may interfere with Cantor's exercise of its co-investment rights to acquire BGC Holdings limited partnership interests (and the corresponding investment in BGC U.S. and BGC Global by BGC Holdings) or its rights to exchange the BGC Holdings exchangeable limited partnership interests. Founding/working partners and limited partnership unit holders do not have any voting rights with respect to their ownership of BGC Holdings limited partnership interests, other than limited consent rights concerning amendments to the terms of the BGC Holdings limited partnership agreement.

Classes of Interests in BGC Holdings

As of March 31, 2017, BGC Holdings had the following outstanding interests:

- a general partnership interest, which is held indirectly by us;
- BGC Holdings exchangeable limited partnership interests, which are held by Cantor;
- BGC Holdings founding partner interests, which are limited partnership interests held by founding partners;
- BGC Holdings REU and AREU interests, which are limited partnership interests held by REU and AREU partners;
- a special voting limited partnership interest, which is held by us and which entitles us to remove and appoint the general partner of BGC Holdings;
- BGC Holdings working partner interests held by working partners;
- BGC Holdings RPU and ARPU interests, which are types of working partner interests held by RPU and ARPU partners;
- BGC Holdings PSI, PSE, APSI, PSU, APSU, LPU and NPSU interests, which are types of working partner interests held by PSI, PSE, APSI, PSU, APSU, LPU and NPSU partners; and
- Preferred Units (defined below), which are types of working partner interests that may be awarded to holders of other grants.

REU, AREU, RPU, ARPU, PSI, APSI, PSU, APSU, PSE, LPU, NPSU, NREU, NPREU, NLPU, NPLPU, NPPSU and Preferred Unit interests are collectively referred to as "limited partnership units."

In February 2009, BGC Holdings was authorized to create a separate class of working partner units called RPUs in an amendment to the limited partnership agreement, which was further amended in October 2009. The RPUs have similar features to existing REU interests except that they provide for a minimum distribution of $0.005 per quarter. The RPUs also provide that if BGC Holdings were to be dissolved, the obligation to provide post-termination payments to terminated partners holding RPUs is cancelled. The 15% cap on distributions which had been a feature of the RPUs was also eliminated. Further amendments to the limited partnership agreement of BGC Holdings were also authorized to amend future and existing classes of partnership interests to create separate classes.

In March 2010, the Amended and Restated BGC Holdings, L.P. limited partnership agreement was further amended by its general partner and Cantor to create two new types of working partner units, PSUs and PSIs. PSUs and PSIs are identical to REUs and RPUs, respectively, except that they have no associated post-termination payments. These new units are used by us for compensatory grants, compensation modifications, redemptions of partnership interests and other purposes.

On August 6, 2010, the BGC Holdings limited partnership agreement was further amended to revise the definition of the "Cantor Group" to mean Cantor and its subsidiaries (other than BGC Holdings and its subsidiaries or any member of the BGC Partners Group (as defined in the BGC Holdings limited partnership agreement)), Mr. Lutnick and/or any of his immediate family members as so designated by Mr. Lutnick and any trusts or other entities controlled Mr. Lutnick. In addition, in the event that BGC Holdings redeems any of its outstanding units, the Audit Committee of the Board of Directors of the Company on August 6, 2010 authorized management to sell to the new members of the Cantor Group exchangeable units equal in number to such redeemed units at a price per exchangeable unit to be determined based on the average daily or monthly closing price of the Class A common stock.

On December 31, 2010, the BGC Holdings limited partnership agreement was further amended to make certain changes to the definitions of bankruptcy and termination under the agreement in accordance with applicable law. In February 2011, the Audit Committee further authorized management to amend the BGC Holdings limited partnership agreement to provide for the creation of new partnership units similar to existing REUs, RPUs, PSUs, PSIs and LPUs which would contain a provision eliminating allocations and distributions on such units until particular conditions are met.

On March 15, 2011, the BGC Holdings limited partnership agreement was further amended pursuant to the Sixth Amendment to provide that (i) where either current, terminating, or terminated partners are permitted by the Company to exchange any portion of their founding partner units and Cantor consents to such exchangeability, the Company shall offer to Cantor the opportunity for Cantor to purchase the same number of new exchangeable limited partnership interests in BGC Holdings at the price that Cantor would have paid for the founding partner units had the Company redeemed them; and (ii) the exchangeable limited partnership interests to be offered to Cantor pursuant to (i) would be subject to, and granted in accordance with, applicable laws, rules and regulations then in effect.

On September 9, 2011, the BGC Holdings limited partnership agreement was further amended effective April 1, 2011 principally to create new classes of partnership units in order to provide flexibility to the Company and the partnership in using units in connection with compensation arrangements and acquisitions. This amendment created five new classes of units in BGC Holdings, all of which are considered working partner units. Four new units, AREUs, ARPUs, APSUs, and APSIs, are identical in all respects to existing REUs, RPUs, PSUs and PSIs, respectively, for all purposes under the partnership agreement, except that (i) until any related distribution conditions specified in the applicable award agreement are met, if ever, only net losses shall be allocable with respect to such units; and (ii) no distributions shall be made until such distribution conditions are met. The other new unit, the PSE, is identical in all respects to existing PSUs for all purposes under the partnership agreement, except that (x) PSEs shall require minimum distributions of no less than $0.015 per fiscal quarter; and (y) such distributions may be delayed for up to four quarters in the discretion of the General Partner.

On December 17, 2012, the BGC Holdings limited partnership agreement was further amended to create a new class of limited partnership unit, the LPU, which shall be considered a working partner unit and which will be granted only to members of BGC Services (Holdings) LLP, and is otherwise identical to an existing PSU.

On November 6, 2013, the BGC Holdings limited partnership agreement was further amended effective July 1, 2013 principally to facilitate new partnership compensation and other corporate purposes. This amendment created 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 .06875% (which is 2.57% 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 are not entitled to participate in partnership distributions other than with respect to the Preferred Distribution.

On May 9, 2014, the BGC Holdings limited partnership agreement was further amended principally to further facilitate partner compensation and for other corporate purposes. This amendment created a new class of limited partnership units called “NPSUs.” 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 our Class A common stock. Upon grant, NPSUs may be assigned a written vesting schedule pursuant to which a certain number of NPSUs would automatically be converted into vested, non-exchangeable PSUs or PPSUs on each vesting date, including provisions requiring the recipient to continue to provide substantial services to us and comply with his or her partnership obligations.

On November 4, 2015, the BGC Holdings limited partnership agreement was further amended to facilitate partner compensation and for other corporate purposes. This amendment created five new classes of non-distributing partnership units ("N Units"), which are Working Partner Units. The 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 and NNPSUs. 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.

On December 14, 2016, the BGC Holdings limited partnership agreement was further amended effective October 1, 2016 (the "Twelfth Amendment"), principally to amend certain terms and conditions of the N Units in order to provide flexibility to the Company and the Partnership in using such N Units in connection with compensation arrangements and practices. The Twelfth Amendment was entered into to amend certain terms and conditions of the N Units in order to provide flexibility to the Company and the Partnership in using such N Units in connection with compensation arrangements and practices. The Twelfth Amendment provides for a minimum $5 million gross revenue requirement in a given quarter as a condition for an N Unit to be replaced by another type of Partnership unit in accordance with the Partnership Agreement and the award documentation. The Twelfth Amendment was approved by the Audit Committee of the Board of Directors of the Company.

For a description of the exchange rights and obligations, see "—Exchanges." No BGC Holdings founding partner interests will be issued after the merger. The BGC Holdings founding/working partner interests held by founding/working partners are designated in various classes, reflecting in general the terms of classes of units that the founding partners previously held in Cantor. See "—Distributions—Classes of Founding/Working Partner Interests."

The aggregate number of authorized BGC Holdings units is 600 million, and in the event that the total number of authorized BGC U.S. units under the BGC U.S. limited partnership agreement is increased or decreased after March 31, 2008, the total number of authorized BGC Holdings units will be correspondingly increased or decreased by the same number by the general partner so that the number of authorized BGC Holdings units equals the number of authorized BGC U.S. units.

Any authorized but unissued BGC Holdings units may be issued:

- pursuant to the contribution and the separation;
- to Cantor and members of the Cantor group, in connection with a reinvestment in BGC Holdings;
- with respect to BGC Holdings founding/working partner interests, to an eligible recipient, which means any limited partner or member of the Cantor group or any affiliate, employee or partner thereof, in each case as directed by a BGC Holdings exchangeable limited partner majority in interest (provided that such person or entity is not primarily engaged in a business that competes with BGC Holdings or its subsidiaries);
- as otherwise agreed by us, as general partner, and a BGC Holdings exchangeable limited partner interest majority in interest;
- pursuant to the Participation Plan (as described in "—BGC Holdings Participation Plan");
- to any then-current founding/working partner or limited partnership unit holder pursuant to the BGC Holdings limited partnership agreement;
- to any BGC Holdings partner in connection with a conversion of an issued unit and interest into a different class or type of unit and interest; and
- to Cantor in the event of a termination or bankruptcy of a founding/working partner or limited partnership unit holder or the redemption of a founding/working partner interest or limited partnership unit pursuant to the BGC Holdings limited partnership agreement or pursuant to the Sixth Amendment to such limited partnership agreement.

Exchanges

The BGC Holdings limited partnership interests held by Cantor are generally exchangeable with us for Class B common stock (or, at Cantor's option or if there are no additional authorized but unissued shares of Class B common stock, Class A common stock) on a one-for-one basis (subject to customary anti-dilution adjustments).

The BGC Holdings limited partnership interests that Cantor transferred to founding partners in connection with the redemption of their current limited partnership interests in Cantor at the time of the separation are not exchangeable with us unless (1) Cantor reacquires such interests from BGC Holdings upon termination or bankruptcy of the founding partners or redemption of their units (which it has the right to do under certain circumstances), in which case such interests will be exchangeable with BGC Partners for Class A common stock or Class B common stock as described above or (2) Cantor determines that such interests can be exchanged by such founding partners with us for Class A common stock, generally on a one-for-one basis (subject to customary anti-dilution adjustments), on terms and conditions to be determined by Cantor, provided that the terms and conditions of such exchange cannot in any way diminish or adversely affect our rights or rights of our subsidiaries (it being understood that an obligation by BGC Partners to deliver shares of Class A common stock upon exchange will not be deemed to diminish or adversely affect the rights of us or our subsidiaries) (which exchange of certain interests Cantor expects to permit from time to time). Once a BGC Holdings founding partner interest becomes exchangeable, such founding partner interest is automatically exchanged for our Class A common stock upon termination or bankruptcy of such partner or upon redemption by BGC Holdings.

In particular, the BGC Holdings founding partner interests that Cantor provided are exchangeable with us for our Class A common stock on a one-for-one basis (subject to customary anti-dilution adjustments from time to time), in accordance with the terms of the BGC Holdings limited partnership agreement twenty percent (20%) of the BGC Holdings founding partner interests held by each founding partner became exchangeable upon the closing of the merger, with one-third of the shares receivable by such BGC Holdings founding partner upon a full exchange becoming saleable on each of the first, second and third anniversaries of the closing of the merger (subject to acceleration), subject to applicable law.

Further, the Company provides exchangeability for partnership units under other circumstances in connection with compensation, acquisitions and investments, including as follows:

- In connection with the issuance of the BGC Holdings Notes (as hereinafter defined)
- The granting of exchangeability of certain BGC Holdings units into shares of our Class A common stock in connection with (i) our partnership redemption, compensation and restructuring programs, (ii) other incentive compensation arrangements, and (iii) business combination transactions

BGC Holdings Exchangeable Limited Partnership Interests

Any working partner interests that are issued will not be exchangeable with us unless we otherwise determine with the written consent of a BGC Holdings exchangeable limited partnership interest majority in interest, in accordance with the terms of the BGC Holdings limited partnership agreement.

The limited partnership units will only be exchangeable for Class A common stock in accordance with the terms and conditions of the grant of such limited partnership units, which terms and conditions will be determined in our sole discretion, as the general partner of BGC Holdings, with the written consent of the BGC Holdings exchangeable limited partnership interest majority in interest with respect to the grant of any exchange right, in accordance with the terms of the BGC Holdings limited partnership agreement.

The one-for-one exchange ratio between BGC Holdings units and Class B common stock and Class A common stock will not be adjusted to the extent that we have made a dividend, subdivision, combination, distribution or issuance to maintain the BGC Partners ratio pursuant to a reinvestment by BGC Partners or its subsidiaries pursuant to its reinvestment right.

Upon our receipt of any BGC Holdings exchangeable limited partnership interest or BGC Holdings founding partner interest, or BGC Holdings limited partnership unit that is exchangeable, pursuant to an exchange, such interest being so

exchanged will cease to be outstanding and will be automatically and fully cancelled, and such interest will automatically be designated as a BGC Holdings regular limited partnership interest, will have all rights and obligations of a holder of BGC Holdings regular limited partnership interests and will cease to be designated as a BGC Holdings exchangeable interest or BGC Holdings founding partner interest, BGC Holdings REU interest or BGC Holdings working partner interest that is exchangeable, and will not be exchangeable.

With each exchange, our indirect interest in BGC U.S. and BGC Global will proportionately increase, because immediately following an exchange, BGC Holdings will redeem the BGC Holdings unit so acquired for the BGC U.S. limited partnership interest and the BGC Global limited partnership interest underlying such BGC Holdings unit. The acquired BGC U.S. limited partnership interest and BGC Global limited partnership interest will be appropriately adjusted to reflect the impact of certain litigation matters and the intention of the parties to the BGC Holdings limited partnership agreement for BGC Holdings (and not BGC Partners) to realize the economic benefits and burdens of such potential claims.

In addition, upon a transfer of a BGC Holdings exchangeable limited partnership interest that is not permitted by the BGC Holdings limited partnership agreement (see "—Transfers of Interests"), such interest will cease to be designated as a BGC Holdings exchangeable limited partnership interest and will automatically be designated as a regular limited partnership interest.

In the case of an exchange of an exchangeable limited partnership interest or a founding partner interest (or portion thereof), the aggregate capital account of the BGC Holdings unit so exchanged will equal a pro rata portion of the total aggregate capital account of all exchangeable limited partnership units and founding partner units then outstanding, reflecting the portion of all such exchangeable limited partnership units and founding partner units then outstanding represented by the units so exchanged. The aggregate capital account of such exchanging partner in such partner's remaining exchangeable limited partnership units and/or founding partner units will be reduced by an equivalent amount. If the aggregate capital account of such partner is insufficient to permit such a reduction without resulting in a negative capital account, the amount of such insufficiency will be satisfied by reallocating capital from the capital accounts of the exchangeable limited partners and the founding partners to the capital account of the units so exchanged, pro rata based on the number of units underlying the outstanding exchangeable limited partnership interests and the founding partner interests or based on other factors as determined by a BGC Holdings exchangeable limited partnership interest majority in interest.

In the case of an exchange of an REU interest or working partner interest or portion thereof, the aggregate capital account of the BGC Holdings units so exchanged will equal the capital account of the REU interest or working partner interest (or portion thereof), as the case may be, represented by such BGC Holdings units.

We agreed to reserve, out of our authorized but unissued BGC Partners Class B common stock and BGC Partners Class A common stock, a sufficient number of shares of BGC Partners Class B common stock and BGC Partners Class A common stock solely to effect the exchange of all then outstanding BGC Holdings exchangeable limited partnership interests, the BGC Holdings founding/working partner interests, if exchangeable, and BGC Holdings limited partnership units, if exchangeable, into shares of BGC Partners Class B common stock or BGC Partners Class A common stock pursuant to the exchanges (subject, in the case of BGC Partners Class B common stock, to the maximum number of shares authorized but unissued under BGC Partners' certificate of incorporation as then in effect) and a sufficient number of shares of BGC Partners Class A common stock to effect the exchange of shares of BGC Partners Class B common stock issued or issuable in respect of exchangeable BGC Holdings limited partnership interests. We have agreed that all shares of BGC Partners Class B common stock and BGC Partners Class A common stock issued in an exchange will be duly authorized, validly issued, fully paid and non-assessable and will be free from pre-emptive rights and free of any encumbrances.

Partnership Enhancement Program

During March 2010, we began a global partnership redemption and compensation restructuring program to enhance our employment arrangements by leveraging our unique partnership structure. Under this program, participating partners generally agree to extend the lengths of their employment agreements, to accept a larger portion of their compensation in

partnership units and to other contractual modifications sought by us. Also as part of this program, we redeemed limited partnership interests for cash and/or other units and granted exchangeability to certain units. At the same time, we sold shares of Class A common stock under our controlled equity offering. In connection with the global partnership redemption and compensation program, we granted exchangeability on 15.9 million limited partnership units for the year ended December 31, 2016. In addition, during the year ended December 31, 2016, as part of this redemption and compensation program, we redeemed approximately 7.2 million limited partnership units at an average price of $9.09 per unit and an aggregate of 319,200 founding partner units at an average price of $8.64 per unit. In connection with this program, Cantor agreed to grant exchangeability on certain founding partner units. Also in connection with this program, we granted exchangeability on 4,362,794 million limited partnership units for the three months ended March 31, 2017. In addition, during the three months ended March 31, 2017, as part of this program, we redeemed approximately 2,905,277 million limited partnership units at an average price of $10.84 per share and approximately 12,179 founding partner units at an average price of $11.00 per share.

Distributions

General

The profit and loss of BGC U.S. and BGC Global are generally allocated based on the total number of BGC U.S. units and BGC Global units outstanding, other than in the case of certain litigation matters, the impact of which would be allocated to the BGC U.S. and BGC Global partners who are members of the BGC Holdings group as described in "—Amended and Restated Limited Partnership Agreements of BGC U.S. and BGC Global." The profit and loss of BGC Holdings are generally allocated based on the total number of BGC Holdings units outstanding, other than the impact of certain litigation matters, which will be allocated to the BGC Holdings partners who are members of the Cantor group, or who are founding/working partners or limited partnership unit holders. The minimum distribution for each RPU interest is $0.005 per quarter.

BGC Holdings distributes to holders of the BGC Holdings limited partnership interests (subject to the allocation of certain litigation matters, to BGC Holdings partners who are members of the Cantor group, or who are founding/working partners or who are limited partnership unit holders (and not to us)):

- with respect to partners who are members of the Cantor group and the founding/working partners, on or prior to each estimated tax due date (the 15th day of each April, June, September and December in the case of a partner that is not an individual, and the 15th day of each April, June, September and January in the case of a partner who is an individual), such partner's estimated proportionate quarterly tax distribution for such fiscal quarter; and
- as promptly as practicable after the end of each fiscal quarter, an amount equal to the excess, if any, of (a) the net positive cumulative amount allocated to such partner's capital account pursuant to the BGC Holdings limited partnership agreement, over (b) the amount of any prior distributions to such partner.

Pursuant to the terms of the BGC Holdings limited partnership agreement, distributions by BGC Holdings to its partners may not be decreased below 100% of net income received by BGC Holdings from BGC U.S. and BGC Global (other than with respect to selected extraordinary items with respect to founding/working partners or limited partnership unit holders, such as the disposition directly or indirectly of partnership assets outside of the ordinary course of business) unless we determine otherwise, subject to Cantor's consent (as the holder of the BGC Holdings exchangeable limited partnership interest majority in interest). The BGC Holdings general partner, with the consent of Cantor, as the holder of the BGC Holdings exchangeable limited partnership interest majority in interest, may direct BGC Holdings to distribute all or part of any amount distributable to a founding/working partner or a limited partnership unit holder in the form of a distribution of publicly traded shares, including shares of any capital stock of any other entity if such shares are listed on any national securities exchange or included for quotation in any quotation system in the United States, which we refer to as "publicly traded shares," or in other property.

In addition, the BGC Holdings general partner, with the consent of Cantor, as holder of a majority of the BGC Holdings exchangeable limited partnership interests, in its sole and absolute discretion, may direct BGC Holdings, upon a founding/working partner's or a limited partnership unit holder's death, retirement, withdrawal from BGC Holdings or other full or partial redemption of BGC Holdings units, to distribute to such partner (or to his or her personal

representative, as the case may be) a number of publicly traded shares or an amount of other property that the BGC Holdings general partner determines is appropriate in light of the goodwill associated with such partner and his, her or its BGC Holdings units, such partner's length of service, responsibilities and contributions to BGC Holdings and/or other factors deemed to be relevant by the BGC Holdings general partner. Any such distribution of publicly traded shares or other property to a partner as described in the prior sentence will result in a net reduction in such partner's capital account and adjusted capital account, unless otherwise determined by the BGC Holdings general partner in its sole and absolute discretion, provided that any gain recognized as a result of such distribution will not affect such partner's adjusted capital account, unless otherwise determined by both the BGC Holdings general partner and Cantor.

The BGC Holdings limited partnership agreement, however, provides that any and all items of income, gain, loss or deduction resulting from certain specified items allocated entirely to the capital accounts of the limited partnership interests in BGC U.S. and BGC Global held by BGC Holdings will be allocated entirely to the capital accounts of BGC Holdings limited partnership interests held by its founding/working partners, its limited partnership unit holders and Cantor as described below under "—Amended and Restated Limited Partnership Agreements of BGC U.S. and BGC Global—Distributions." In addition, in the discretion of the BGC Holdings general partner, distributions with respect to selected extraordinary transactions, as described below, may be withheld from the founding/working partners and the limited partnership unit holders and distributed over time subject to the satisfaction of conditions set by us, as the general partner of BGC Holdings, such as continued service to us. See "—Redemption of BGC Holdings Founding/Working Partner Interests and Limited Partnership Interests." These distributions that may be withheld relate to income items from non-recurring events, including, without limitation, items that would be considered "extraordinary items" under U.S. GAAP and recoveries with respect to claims for expenses, costs and damages (excluding any recovery that does not result in monetary payments to BGC Holdings) attributable to extraordinary events affecting BGC Holdings (such events may include, unless otherwise determined by the BGC Holdings general partner, any disposition, directly or indirectly (including deemed sales), of capital stock of any affiliate owned by BGC Holdings, whether or not recurring in nature). The BGC Holdings general partner may also deduct from these withheld amounts all or a portion of any extraordinary expenditures from non-recurring events that it determines are to be treated as extraordinary expenditures, including, without limitation, any distribution or other payment (including a redemption payment) to a BGC Holdings partner, the purchase price or other cost of acquiring any asset, any other non-recurring expenditure of BGC Holdings, items that would be considered "extraordinary items" under U.S. GAAP, and expenses, damages or costs attributable to extraordinary events affecting BGC Holdings (including actual, pending or threatened litigation). Any amounts that are withheld from distribution and forfeited by the founding/working partners and the limited partnership unit holders with respect to such extraordinary transactions will be distributed to Cantor in respect of the BGC Holdings limited partnership interests held by Cantor.

No partner may charge or encumber its BGC Holdings limited partnership interest or otherwise subject such interest to any encumbrance, except those created by the BGC Holdings limited partnership agreement. However, a BGC Holdings exchangeable limited partner may encumber its BGC Holdings exchangeable limited partnership interest in connection with any bona fide bank financing transaction.

Classes of Founding/Working Partner Interests and Limited Partnership Units

Founding/working partners currently hold five classes of BGC Holdings units underlying such partner's BGC Holdings founding partner interests and BGC Holdings working partner interests, respectively: High Distribution, High Distribution II, High Distribution III, High Distribution IV, and Grant. In addition, there are separate classes of working partner interests called RPUs, PSUs, and PSIs and there are limited partnership units called REUs. In addition, effective April 1, 2011, five new units were created. AREUs, ARPUs, APSUs and APSI are identical in all respects to existing REUs, RPUs, PSU and PSI, respectively, except that (i) until any related distribution conditions specified in the applicable award agreement are met, if ever, only net losses shall be allocable with respect to such units; and (ii) no distributions shall be made until such distribution conditions are met. The other new unit created in 2011, the PSE, is identical in all respects to existing PSUs, except that (x) PSEs shall require minimum distributions of no less than $0.015 per fiscal quarter; and (y) such distributions may be delayed for up to four quarters in the discretion of the General Partner. Further, effective December 17, 2012, a new unit was created, the LPU, which is identical in all respects to the existing PSU, except that the LPU shall be available for issuance only to members of a certain U.K. limited liability partnership. In addition, on November 6, 2013, the Preferred Units were created as discussed above. Also, on May 9, 2014, the NPSUs were created as discussed above.

The term "limited partnership units" is generally used to refer to REUs, AREUs, RPUs, ARPUs, PSUs, APSUs, PSIs, APSIs, PSEs, LPUs, NPSUs, NREUs, NPREUs, NLPUs, NPLPUs, NPPSUs or the Preferred Unit equivalents of such limited partnership units as described above.

In general, the rights and obligations of founding/working partners with respect to their BGC Holdings units are similar, but not identical, to the rights and obligations of the founding partners, as limited partners in Cantor with respect to their Cantor units. See "Risk Factors—Risks Related to our Business." Each class of BGC Holdings units held by founding/working partners generally entitles the holder to receive a pro rata share of the distributions of income received by BGC Holdings. See "—Distributions." High Distribution II and High Distribution III units differ from High Distribution units, however, in that holders of High Distribution II and High Distribution III units paid at their original issuance, or the original issuance of their predecessor interests in Cantor, only a portion (generally approximately 20% in the case of High Distribution II Units and 14.3% in the case of High Distribution III Units) of the amount that would have been paid by a holder of a High Distribution unit as of that date, with the remaining amount (increased by a stated rate), which we refer to as a "HD II Account Obligation" or "HD III Account Obligation," as applicable, paid, on a stated schedule (generally four years in the case of High Distribution II units and seven years in the case of High Distribution III units). With respect to High Distribution II Units and High Distribution III Units issued in redemption of similar units in Cantor, the applicable HD II Account Obligation or HD III Account Obligation will be paid to Cantor rather than to BGC Holdings. High Distribution IV units differ from High Distribution units in that holders of High Distribution IV units are entitled to receive an additional payment following redemption, as described in "—Redemption of BGC Holdings Founding/Working Partner Interests and Limited Partnership Units." Grant Units and Matching Grant Units differ from the other classes of BGC Holdings units in the calculation and the compensatory tax treatment of amounts payable upon redemption of such units.

With respect to the limited partnership units, each grant of REUs or AREUs will have associated with it an "REU post-termination amount" or an "AREU post-termination amount" which represents an amount payable to the REU or AREU holder upon redemption of such units. A partner's entitlement to the REU or AREU post-termination amount will vest ratably over three years or according to such schedule as determined by BGC Holdings at the time of grant. In lieu of paying all or a portion of the REU or AREU post-termination amount, BGC Holdings may cause the REUs or AREUs held by a redeemed partner to be automatically exchanged for shares of BGC Partners Class A common stock at the applicable exchange ratio.

The value of such shares may be more or less than the applicable post-termination amount. These payments of cash and/or shares are conditioned on the former REU or AREU holder not violating his or her partner obligations or engaging in any competitive activity prior to the date such payments are made, and are subject to reduction if any losses are allocated to such REUs or AREUs. From time to time, the terms of specific grants of REUs or AREUs will vary, which variations may include limitations on the income or distributions and may also provide for exchangeability at an identified time or upon the occurrence of certain conditions. RPUs and APSUs have similar features to existing REU and AREU interests except that (i) they provide for a minimum distribution of $0.005 per quarter and (ii) they provide that if BGC Holdings were to be dissolved, the obligation to provide Post-Termination Payments to terminated partners holding RPUs or ARPUs is cancelled. PSUs, APSUs, PSIs, PSEs and APSIs are similar to REUs, AREUs, RPUs and ARPUs, respectively, except that they do not have post-termination payments. Preferred Units are entitled solely to the Preferred Distribution and, similarly, do not have post-termination payments. NPSUs are identical to PSUs except that they 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, but may be converted into PSUs or PPSUs in the sole discretion of the General Partner of our Partnership. The N Units are identical to their underlying units except that they 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, but may be converted into the underlying unit in the sole discretion of the General Partner of the Partnership and subject to the approval of the Compensation Committee.

Partner Obligations

Each of the founding/working partners and each of the limited partnership unit holders are subject to certain partner obligations, which we refer to as "partner obligations." The partner obligations constitute an undertaking by each of the founding/working partners and each of the limited partnership unit holders that they have a duty of loyalty to BGC Holdings and that, during the period from the date on which a person first becomes a partner through the applicable specified period following the date on which such partner ceases, for any reason, to be a partner, not to, directly or indirectly (including by or through an affiliate):

- breach a founding/working partner's or limited partnership unit holder's, as the case may be, duty of loyalty to BGC Holdings, through the four-year period following the date on which such partner ceases, for any reason, to be a founding/working partner or limited partnership unit holder;
- engage in any activity of the nature set forth in clause (1) of the definition of the competitive activity (as defined below) through the two-year period following the date on which such partner ceases for any reason to be a founding/working partner or limited partnership unit holder;
- engage in any activity of the nature set forth in clauses (2) through (5) of the definition of competitive activity (as defined below) or take any action that results directly or indirectly in revenues or other benefit for that founding/working partner or limited partnership unit holder or any third party that is or could be considered to be engaged in any activity of the nature set forth in clauses (2) through (5) of the definition of competitive activity, except as otherwise agreed to in writing by BGC Holdings general partner, in its sole and absolute discretion, for the one-year period following the date on which such partner ceases, for any reason, to be a founding/working partner or limited partnership unit holder;
- make or participate in the making of (including through the applicable partner's or any of his, her or its affiliates, respective agents or representatives) any comments to the media (print, broadcast, electronic or otherwise) that are disparaging regarding BGC Partners or the senior executive officers of BGC Partners or are otherwise contrary to the interests of BGC Partners as determined by the BGC Holdings general partner in its sole and absolute discretion, for the four-year period following the date on which such partner ceases, for any reason, to be a founding/working partner or a limited partnership unit holder, as the case may be;
- except as permitted with respect to corporate opportunities and fiduciary duties in the BGC Holdings limited partnership agreement (see "—Corporate Opportunity; Fiduciary Duty") take advantage of, or provide another person with the opportunity to take advantage of, a BGC Partners "corporate opportunity" (as such term would apply to BGC Holdings if it were a corporation) including opportunities related to intellectual property, which for this purpose requires granting BGC Partners a right of first refusal to acquire any assets, stock or other ownership interest in a business being sold by any partner or affiliate of such partner if an investment in such business would constitute a "corporate opportunity" (as such term would apply to BGC Holdings if it were a corporation), that has not been presented to and rejected by BGC Partners or that BGC Partners rejects but reserves for possible further action by BGC Partners in writing, unless otherwise consented to by BGC Holdings general partner in writing in its sole and absolute discretion, for a four-year period following the date on which such partner ceases, for any reason, to be a founding/working partner or a limited partnership unit holder, as the case may be; or
- otherwise take any action to harm, that harms or that reasonably could be expected to harm, BGC Partners for a four-year period following the date on which a founding/working partner or a limited partnership unit holder, as the case may be, ceases, for any reason, to be a founding/working partner or a limited partnership unit holder, as the case may be, including any breach of its confidentiality obligations.

A founding/working partner or limited partnership unit holder is considered to have engaged in a "competitive activity" if such partner (including by or through his, her or its affiliates), during the applicable restricted period, which we collectively refer to as the "competitive activities":

(1) directly or indirectly, or by action in concert with others, solicits, induces, or influences, or attempts to solicit, induce or influence, any other partner, employee or consultant of Cantor, BGC Partners or any member of the Cantor group or affiliated entity to terminate their employment or other business arrangements with Cantor, BGC Partners or any member of the Cantor group or affiliated entity, or to engage in any competing business (as defined below) or hires, employs, engages (including as a consultant or partner) or otherwise enters into a competing business with any such person;

(2) solicits any of the customers of Cantor, BGC Partners or any member of the Cantor group or affiliated entity (or any of their employees), induces such customers or their employees to reduce their volume of business with, terminate their relationship with or otherwise adversely affect their relationship with, Cantor, BGC Partners or any member of the Cantor group or affiliated entity;

(3) does business with any person who was a customer of Cantor, BGC Partners or any member of the Cantor group or affiliated entity during the 12-month period prior to such partner becoming a terminated or bankrupt partner if such business would constitute a competing business;

(4) directly or indirectly engages in, represents in any way, or is connected with, any competing business, directly competing with the business of Cantor, BGC Partners or any member of the Cantor group or affiliated entity, whether such engagement will be as an officer, director, owner, employee, partner, consultant, affiliate or other participant in any competing business; or

(5) assists others in engaging in any competing business in the manner described in the foregoing clause (4).

"Competing business" means an activity that (a) involves the development and operations of electronic trading systems, (b) involves the conduct of the wholesale or institutional brokerage business, (c) consists of marketing, manipulating or distributing financial price information of a type supplied by Cantor, BGC Partners, or any member of the Cantor group or affiliated entity to information distribution services or (d) competes with any other business conducted by Cantor, BGC Partners, any member of the Cantor group or affiliated entity if such business was first engaged in by Cantor or BGC Partners took substantial steps in anticipation of commencing such business and prior to the date on which such founding/working partner or limited partnership unit holder, as the case may be, ceases to be a founding/working partner or limited partnership unit holder, as the case may be.

Notwithstanding anything to the contrary, and unless Cantor determines otherwise, none of such partner obligations apply to any founding/working partner or limited partnership unit holder that is also a Cantor company or any of its affiliates or any partner or member of a Cantor company or any of its affiliates. Such partners are exempt from these partner obligations.

The determination of whether a founding/working partner or limited partnership unit holder has breached his or her partner obligations will be made in good faith by the BGC Holdings general partner in its sole and absolute discretion, which determination will be final and binding. If a founding/working partner or a limited partnership unit holder breaches his, her or its partner obligations, then, in addition to any other rights or remedies that the BGC Holdings general partner may have, and unless otherwise determined by the BGC Holdings general partner in its sole and absolute discretion, BGC Holdings will redeem all of the units held by such partner for a redemption price equal to their base amount, and such partner will have no right to receive any further distributions, or payments of cash, stock or property, to which such partner otherwise might be entitled.

Any founding/working partner or limited partnership unit holder, as the case may be, that breaches his or her partner obligations is required to indemnify BGC Holdings for and pay any resulting attorneys' fees and expenses, as well as any and all damages resulting from such breach. In addition, upon breach of the BGC Holdings limited partnership agreement by or the termination or bankruptcy of a founding/working or a limited partnership unit holder, as the case may be, that is subject to the partner obligations, or if any such partner owes any amount to BGC Holdings or to any affiliated entity or fails to pay any amount to any other person with respect to which amount BGC Holdings or any affiliated entity is a guarantor or surety or is similarly liable (in each case whether or not such amount is then due and payable), BGC Holdings has the right to set off the amount that such partner owes to BGC Holdings or any affiliated entity or any such other person under any agreement or otherwise and the amount of any cost or expense incurred or projected to be incurred by BGC Holdings in connection with such breach, such termination or bankruptcy or such indebtedness (including attorneys' fees and expenses and any diminution in value of any BGC Holdings assets and including in each case both monetary obligations and the fair market value of any non-cash item and amounts not yet due or incurred) against any amounts that it owes to such partner under the BGC Holdings limited partnership agreement or otherwise, or to reduce the capital account, the base amount and/or the distributions (quarterly or otherwise) of such partner by any such amount.

A founding/working partner or a limited partnership unit holder, as the case may be, will become a terminated partner upon (a) the actual termination of the employment of such partner, so that such partner is no longer an employee of BGC U.S., BGC Global or any affiliated entity, with or without cause by the employer, by such partner or by reason of death, (b) the termination by the BGC Holdings general partner, which may occur without the termination of a partner's employment, of such partner's status as a partner by reason of a determination by the BGC Holdings general partner that such partner has breached the BGC Holdings limited partnership agreement or that such partner has ceased to provide substantial services to BGC Holdings or any affiliated entity, even if such cessation is at the direction of BGC Holdings or any affiliated entity or (c) ceasing to be a partner for any reason. With respect to a corporate or other entity partner, such partner will also be considered terminated upon the termination of the beneficial owner, grantor, beneficiary or trustee of such partner.

A founding/working partner or a limited partnership unit holder, as the case may be, will become a bankrupt partner upon (a) making an assignment for the benefit of creditors, (b) filing a voluntary petition in bankruptcy, (c) the adjudication of such partner as bankrupt or insolvent, or the entry against such partner of an order for relief in any bankruptcy or insolvency proceeding; provided that such order for relief or involuntary proceeding is not stayed or dismissed within 120 days, (d) the filing by such partner of a petition or answer seeking for himself, herself or itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any bankruptcy statute, law or regulation, (e) the filing by such partner of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of that nature or (f) the appointment of or seeking of the appointment of (in each case by any person) a trustee, receiver or liquidator of it or of all or any substantial part of the properties of such founding/working partner. With respect to a corporate founding/working partner, bankruptcy will also include the occurrence of any of the foregoing events with respect to the beneficial owner of the majority of the stock of such partner. Notwithstanding the foregoing, no event constitutes a bankruptcy of a founding/working partner or limited partnership unit holder, as the case may be, unless the BGC Holdings general partner so determines in its sole and absolute discretion.

Redemption of BGC Holdings Founding/Working Partner Interests and Limited Partnership Units

Unlike the BGC Holdings limited partnership interests held by Cantor, the classes of BGC Holdings limited partnership interests held by founding partners, working partners and limited partnership unit holders (in each case, to the extent such interests have not become exchangeable) are subject to purchase and redemption by BGC Holdings in the following circumstances (subject to Cantor's right to purchase such interests from BGC Holdings as described in "—Cantor's Right to Purchase Redeemed Interests"):

- except as otherwise agreed to by each of the BGC Holdings general partner, the BGC Holdings exchangeable limited partners (by a majority in interest of the BGC Holdings exchangeable limited partnership interests) and the applicable founding partner, upon any termination or bankruptcy of a founding partner (or the termination or bankruptcy of the beneficial owner of the stock or other ownership interest of any such founding partner that is a corporation or other entity), BGC Holdings will purchase and redeem from such founding partner or his, her or its representative, and such founding partner or his, her or its representative will sell to BGC Holdings, all of the founding partner interests held by such founding partner (and, with the consent of the BGC Holdings general partner and Cantor, BGC Holdings may assign its right to purchase such founding partner interests to another partner); and
- except as otherwise agreed to by each of the BGC Holdings general partner and the applicable working partner or limited partnership unit holder, as the case may be, upon (1) any termination or bankruptcy of a working partner or limited partnership unit holder, as the case may be (or the termination or bankruptcy of the beneficial owner of the stock or other ownership interest of any such working partner or limited partnership unit holder that is a corporation or other entity) or (2) an election of the BGC Holdings general partner for any reason or for no reason whatsoever, BGC Holdings will purchase and redeem from such working partner or his, her or its representative, and such working partner or his, her or its representative will sell such REUs to BGC Holdings, all of the working partner interests held by such working partner (and, with the consent of the BGC Holdings general partner and Cantor, BGC Holdings may assign its right to purchase such partner interests to another partner).

Founding/working partner interests or REU or RPU interests, as the case may be, will be redeemed at a pre-determined formula redemption price. The redemption price for a BGC Holdings founding/working partner interest or limited partnership unit holder interest, as the case may be, generally reflects the purchase price paid by such partner for his or her interest, adjusted to reflect such partner's share of changes in the book value of BGC Holdings. For purposes of determining the redemption price, the book value is determined in accordance with the BGC Holdings limited partnership agreement, which in general does not take into account goodwill or going concern value. In the circumstances described above, BGC Holdings limited partnership interests held by founding partners, working partners and limited partnership unit holders that have become exchangeable will be automatically exchanged for BGC Partners Class A common stock.

Each grant of REUs or RPUs will have associated with it a "post-termination amount," which represents an amount payable to the REU or RPU holder upon redemption of such units. A partner's entitlement to the post-termination amount will vest ratably over three years or according to such schedule as determined by BGC Holdings at the time of grant. In lieu of paying all or a portion of the post-termination amount, BGC Holdings may cause the REUs or RPUs held by a redeemed partner to be automatically exchanged for shares of BGC Partners Class A common stock at the applicable exchange ratio. The value of such shares may be more or less than the applicable post-termination amount. These post-termination payments are conditioned on the former REU or RPU holder not violating his or her partner obligations or engaging in any competitive activity prior to the date such payments are made, and are subject to reduction if any losses are allocated to such REUs or RPUs.

The aggregate redemption price for a founding partner interest is generally equal to the adjusted capital account of such interest.

In general, with respect to founding partner interests, working partner interests or limited partnership unit holder interests that have not become exchangeable and that are held by terminated or bankrupt founding/working partners or terminated or bankrupt limited partnership unit holders, as the case may be, a portion of the redemption price, which we refer to as the "base amount," is to be paid within 90 days of redemption, with the remainder of the redemption price paid on each of the following four anniversaries. The base amount of BGC Holdings founding/working partner interests and BGC Holdings REU and RPU interests designated as Grant Units, High Distribution III Units and High Distribution IV Units will each at all times be zero. The base amount is calculated pursuant to a formula, and it reflects a larger percentage of the total redemption price for working partners who have been partners for a longer period in BGC Holdings. The portion of the redemption price that is to be paid to a terminated or bankrupt founding/working partner or terminated or bankrupt REU or RPU partner, as the case may be, on each of the four anniversaries following a redemption is conditioned on such partner not having engaged in a competitive activity or violated his or her partner obligations.

The general partner of BGC Holdings may also withhold each founding/working partner or limited partner unit holder's, as the case may be, share of distributions attributable to income and loss with respect to selected extraordinary transactions, such as the disposition directly or indirectly of partnership assets outside the ordinary course of business. With respect to terminated or bankrupt founding/working partners or terminated or bankrupt REU or RPU interests, as the case may be, such partner whose limited partnership interests in BGC Holdings are redeemed will receive payments reflecting these extraordinary items only to the extent that such partner's right to receive these payments has vested (with 30% vesting on the third anniversary of the applicable event or, if later, the date of acquisition of interests in BGC Holdings and the remainder vesting ratably over a seven year vesting schedule, provided that the BGC Holdings general partner may, in its sole and absolute discretion, accelerate the vesting of such amounts), with payments made on each of the first five anniversaries of the redemption of such limited partner interests. These payments are conditioned on such partner not violating his or her partner obligations or engaging in any competitive activity, prior to the date such payments are completed and are subject to prepayment at the sole and absolute discretion of the BGC Holdings general partner at any time. Any amounts that are withheld from distribution and forfeited by such partners will be distributed to Cantor in respect of its BGC Holdings limited partnership interests.

Any distribution to a holder of High Distribution II Units or High Distribution III Units, including with respect to additional amounts payable upon redemption, may be reduced in the discretion of the BGC Holdings general partner to satisfy such holder's HD II Account Obligation or HD III Account Obligation, as applicable, as described above in "—Classes of Founding/Working Partner Interests." Upon the purchase by Cantor of High Distribution II Units or High Distribution III Units issued in redemption of similar units in Cantor, the amount payable by Cantor to acquire such units will be reduced by an amount equal to the HD II Account Obligation or HD III Account Obligation, as applicable, with respect to such units.

In addition, holders of High Distribution IV Units (all of which are being issued in exchange for High Distribution IV Units previously issued by Cantor to such holders) are entitled to receive an additional payment, one-fourth of such amount being payable on each of the first four anniversaries of redemption, reflecting a fixed amount determined as of the date of the original issuance of the predecessor High Distribution IV Units by Cantor.

BGC Holdings may in its discretion make redemption payments in property, including in BGC Partners shares, rather than in cash and may in its discretion accelerate the amount of these payments and, with the consent of a BGC Holdings exchangeable limited partnership interest majority in interest, in recognition of a founding/working partner's or REU or RPU partner's, as the case may be, contributions to the business, increase these payments to reflect BGC Holdings' goodwill or going concern value.

In the event of such a redemption or purchase by BGC Holdings of any BGC Holdings founding/working partner interests, BGC Holdings will cause BGC U.S. and BGC Global to redeem and purchase from BGC Holdings a number of BGC U.S. units and BGC Global units, in each case, equal to (1) the number of units underlying the redeemed or purchased BGC Holdings founding/working partner interests or REU or RPU interests, as the case may be, multiplied by (2) the Holdings ratio as of immediately before the redemption or purchase of such BGC Holdings founding/working partner interests or REU or RPU interests, as the case may be. The purchase price paid to BGC U.S. and BGC Global will be an amount of cash equal to the amount required by BGC Holdings to redeem or purchase such interest. Upon mutual agreement of the BGC Holdings general partner, the BGC U.S. general partner and the BGC Global general partner, BGC U.S. and BGC Global may, instead of cash, pay all or a portion of such aggregate purchase price, in publicly traded shares. The PSUs, PSIs, LPUs and the Preferred Units are redeemable at the discretion of the general partner of BGC Holdings.

Cantor's Right to Purchase Redeemed Interests

BGC Holdings Founding Partner Interests

Cantor has a right to purchase any BGC Holdings founding partner interests that have not become exchangeable that are redeemed by BGC Holdings upon termination or bankruptcy of a founding partner or upon mutual consent of the general partner of BGC Holdings and Cantor. Cantor has the right to purchase such BGC Holdings founding partner interests at a price equal to the lesser of (1) the amount that BGC Holdings would be required to pay to redeem and purchase such BGC Holdings founding partner interests and (2) the amount equal to (x) the number of units underlying such founding partner interests, multiplied by (y) the exchange ratio as of the date of such purchase, multiplied by (z) the then current market price of BGC Partners Class A common stock. Cantor may pay such price using cash, publicly traded shares or other property, or a combination of the foregoing. If Cantor (or the other member of the Cantor group acquiring such founding partner interests, as the case may be) so purchases such founding partner interests at a price equal to clause (2) above, neither Cantor nor any member of the Cantor group nor BGC Holdings nor any other person is obligated to pay BGC Holdings or the holder of such founding partner interests any amount in excess of the amount set forth in clause (2) above.

In addition, in the event that current, terminating or terminated partners are permitted by the Company to exchange any portion of their founding partner units and Cantor consents to such exchange, the Company, pursuant to the Sixth Amendment to the BGC Holdings limited partnership agreement, shall offer Cantor the right to purchase the same number of new exchangeable limited partnership interests in BGC Holdings at the price it would have paid for the founding partner units had the Company redeemed them. Such interests, if issued, would be subject to, and granted in accordance with, applicable laws, rules and regulations then in effect.

Any BGC Holdings founding partner interests acquired by Cantor, while not exchangeable in the hands of the founding partner absent a determination by Cantor to the contrary, will be exchangeable by Cantor for shares of BGC Partners Class B common stock or, at Cantor's election, shares of BGC Partners Class A common stock, in each case, on a one-for-one basis (subject to customary anti-dilution adjustments), on the same basis as the Cantor interests, and will be designated as BGC Holdings exchangeable limited partnership interests when acquired by Cantor. This may permit

Cantor to receive a larger share of income generated by BGC Partners' business at a less expensive price than through purchasing shares of BGC Partners Class A common stock, which is a result of the price payable by Cantor to BGC Holdings upon exercise of its right to purchase equivalent exchangeable interests.

BGC Holdings Working Partner Interests and BGC Holdings Limited Partnership Units

Cantor has a right to purchase any BGC Holdings working partner interests or BGC Holdings limited partnership units (in each case that have not become exchangeable), as the case may be, that are redeemed by BGC Holdings if BGC Holdings elects to transfer the right to purchase such interests to a BGC Holdings partner rather than redeem such interests itself. Cantor has the right to purchase such interests on the same terms that such BGC Holdings partner would have a right to purchase such interests.

On November 1, 2010, the Audit and Compensation Committees of the Board of Directors of the Company authorized the Company's management from time to time to cause it to enter into various compensatory arrangements with partners, including founding partners who hold non-exchangeable founding partner units that Cantor has not elected to make exchangeable into shares of Class A common stock. These arrangements, which may be entered into prior to or in connection with the termination of such partners, include but are not limited to the grant of shares or other awards under the Long Term Incentive Plan, payments of cash or other property, or partnership awards under the BGC Holdings' Participation Plan or other partnership adjustments, which arrangements may result in the repayment by such partners of any partnership loans or other amounts payable to or guaranteed by Cantor earlier than might otherwise be the case, and for which the Company may incur compensation charges that it might not otherwise have incurred had such arrangements not been entered into.

On November 7, 2016, 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 624,762 exchangeable limited partnership units in BGC Holdings, as follows: In connection with the redemption by BGC Holdings of an aggregate of 141,523 non-exchangeable founding partner units from founding partners of BGC Holdings for an aggregate consideration of $560,190, Cantor purchased 141,523 exchangeable limited partnership units from BGC Holdings for an aggregate of $560,190. In addition, pursuant to the Sixth Amendment, on November 7, 2016, Cantor purchased 483,239 exchangeable limited partnership units from BGC Holdings for an aggregate consideration of $1,796,367 in connection with the grant of exchangeability and exchange for 483,239 founding partner units. Subsequent to these transactions, there were 548,259 FPUs remaining which BGC Holdings had the right to redeem or exchange and with respect to which Cantor had the right to purchase an equivalent number of Cantor units.

As of March 31, 2017, there were 997,773 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.

Transfers of Interests

In general, subject to the exceptions described below, no BGC Holdings partner may transfer or agree or otherwise commit to transfer all or any portion of, or any rights, title and interest in and to, its interest in BGC Holdings.

Regular limited partners (other than the special voting limited partner of BGC Holdings), including exchangeable limited partners, of BGC Holdings may transfer limited partnership interests in the following circumstances:

- in connection with the contribution and the separation;
- in connection with an exchange with BGC Partners, if applicable;
- if the transferor limited partner is a member of the Cantor group, to any person; or
- with the prior written consent of the general partner and the exchangeable limited partners (by affirmative vote of a BGC Holdings exchangeable limited partnership interest majority in interest, not to be unreasonably withheld or delayed).

With respect to any exchangeable limited partnership interest transferred by Cantor to another person, Cantor may elect, prior to or at the time of such transfer, either (1) that such person will receive such interest in the form of an exchangeable limited partnership interest and that such person will thereafter be an exchangeable limited partner so long as such person continues to hold such interest or (2) that such person will receive such interest in the form of a regular limited partnership interest (other than an exchangeable limited partnership interest or a special voting limited partnership interest of BGC Holdings), including as a founding partner interest, working partner interest or otherwise, and that such person will not be an exchangeable limited partner as a result of holding such interest.

Founding partners may transfer BGC Holdings founding partner interests in the following circumstances:

- in connection with the contribution and the separation;
- in connection with an exchange with BGC Partners, if applicable;
- pursuant to a redemption;
- if the transferee limited partner is a member of the Cantor group (except that in the event such transferee ceases to be a member of the Cantor group, such interest will automatically transfer to Cantor);
- with the consent of the BGC Holdings exchangeable limited partnership interest majority in interest, to any other founding partner; or
- with the mutual consent of the general partner and the BGC Holdings exchangeable limited partnership interest majority in interest (which consent may be withheld for any reason or no reason), to any other person.

Working partners and limited partnership unit holders may transfer BGC Holdings working partner interests or BGC Holdings limited partnership units, as the case may be, in the following circumstances:

- pursuant to a redemption, in the case of working partners, and pursuant to the grants concurrently with the merger, in the case of limited partnership unit holders;
- in connection with an exchange with BGC Partners, if applicable;
- if the transferee limited partner is a member of the Cantor group (except that in the event such transferee ceases to be a member of the Cantor group, such interest will automatically transfer to Cantor); or
- with the mutual consent of the general partner and the BGC Holdings exchangeable limited partnership interest majority in interest.

The special voting limited partner may transfer the special voting limited partnership interest in connection with the contribution and the separation or to a wholly-owned subsidiary of BGC Partners (except that in the event such transferee ceases to be a wholly-owned subsidiary of BGC Partners, the special voting partnership interest will automatically be transferred to BGC Partners, without any further action required on the part of BGC Holdings, BGC Partners or any other person).

The general partner may transfer its general partnership interest in the following circumstances:

- in connection with the contribution and separation;
- to a new general partner as described below; or
- with the special voting limited partner’s prior written consent, to any other person.

The special voting limited partner may, in its sole and absolute discretion, remove any general partner, with or without cause. The general partner may resign as the general partner of BGC Holdings for any reason or no reason, except that as a condition to any removal or resignation, the special voting limited partner will first appoint a new general partner who will be admitted to BGC Holdings as the new general partner, and the resigning or removed general partner will transfer its entire general partnership interest to the new general partner.

Amendments

The BGC Holdings limited partnership agreement cannot be amended except with the approval of each of the general partner and the exchangeable limited partners (by the affirmative vote of a BGC Holdings exchangeable limited partnership interest majority in interest) of BGC Holdings. In addition, the BGC Holdings limited partnership agreement cannot be amended to:

- amend any provisions which require the consent of a specified percentage in interest of the limited partners without the consent of that specified percentage in interest of the limited partners;
- alter the interest of any partner in the amount or timing of distributions or the allocation of profits, losses or credits, if such alteration would either materially adversely affect the economic interest of a partner or would materially adversely affect the value of interests, without the consent of the partners holding at least two-thirds of all units, in the case of an amendment applying in substantially similar manner to all classes of interests, or two-thirds in interest of the affected class or classes of the partners, in the case of any other amendment; or
- alter the special voting limited partner's ability to remove a general partner.

The general partner of BGC Holdings may authorize any amendment to correct any technically incorrect statement or error apparent on the face thereof in order to further the parties' intent or to correct any formality or error or incorrect statement or defect in the execution of the BGC Holdings limited partnership agreement.

In the event of any material amendment to the BGC Holdings limited partnership agreement that materially adversely affects the interest of a founding/working partner or an limited partnership unit holder, as the case may be, in the partnership or the value of founding/working partner interests or limited partnership units, as the case may be, held by such partner in the amount or timing of distributions or the allocation of profits, losses or credit, then such partner who does not vote in favor of such amendment has a right to elect to become a terminated partner of BGC Holdings, regardless of whether there is an actual termination of the employment of such partner. The BGC Holdings general partner will have a right, in the event of such election by a founding/working partner or a limited partnership unit holder, as the case may be, to revoke and terminate such proposed amendment to the BGC Holdings limited partnership agreement.

Corporate Opportunity; Fiduciary Duty

The BGC Holdings limited partnership agreement contains similar corporate opportunity provisions to those included in BGC Partners' certificate of incorporation with respect to BGC Partners and/or Cantor and their respective representatives. See "Description of Capital Stock—Anti-Takeover Effects of Our Certificate of Incorporation and Bylaws and Delaware Law—Corporate Opportunity."

Parity of Interests

The BGC Holdings limited partnership agreement provides that it is the non-binding intention of BGC Holdings and each of the partners of BGC Holdings that the BGC Holdings ratio at all times equals one. It is the non-binding intention of each of the partners of BGC Holdings and of BGC Holdings that there be a parallel issuance or repurchase transaction by BGC Holdings in the event of any issuance or repurchase by BGC U.S. of BGC U.S. units to or held by BGC Holdings so that the BGC Holdings ratio at all times equals one. In August 2008, we were authorized to cause BGC Holdings to issue REUs in connection with acquisitions and to provide for such acquisitions to be done in only one of BGC U.S. or BGC Global when appropriate. In such event, we are authorized to break parity with respect to outstanding units in such entities, although no decision to do so has been made at this time.

Amended and Restated Limited Partnership Agreements of BGC U.S. and BGC Global

Effective as of September 1, 2008, each of BGC U.S. and BGC Global entered into amended and restated limited partnership agreements. On September 26, 2008, the limited partnership agreement of BGC U.S. and the limited partnership agreement of BGC Global were amended, effective as of September 1, 2008, to provide that, at our election, in connection with a repurchase of our Class A common stock or similar actions, BGC U.S. and BGC Global will redeem and repurchase from us a number of units in BGC U.S. and BGC Global equivalent to the number of shares of Class A

common stock repurchased by us in exchange for cash in the amount of the gross proceeds to be paid in connection with such stock repurchase. The proportion of such amount to be paid by BGC U.S. or BGC Global will be determined by BGC Partners. Certain technical amendments were also made to conform such limited partnership agreements to the BGC Holdings limited partnership agreement.

Management

BGC U.S. and BGC Global each are managed by their general partner, which is 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 entitles 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 entitles the holder thereof to remove and appoint the general partner of BGC Global, and serves as the general partner of each of BGC U.S. and BGC Global, which entitles BGC Holdings (and thereby, BGC Partners) to control each of BGC U.S. and BGC Global, subject to limited consent rights of Cantor and to the rights of BGC Holdings as the special voting limited partner. BGC Holdings holds its BGC U.S. general partnership interest through a Delaware limited liability company, BGC Holdings, LLC, and holds its BGC Global general partnership interest through a company incorporated in the Cayman Islands, BGC Global Holdings GP Limited.

"Cantor's consent rights" means that BGC Holdings, in its capacity as general partner of each of BGC U.S. and BGC Global, is required to obtain Cantor's consent to amend the terms of the BGC U.S. limited partnership agreement or BGC Global limited partnership agreement or take any other action that may adversely affect Cantor's exercise of its co-investment rights to acquire BGC Holdings limited partnership interests (and the corresponding investment in BGC U.S. and BGC Global by BGC Holdings) or right to exchange BGC Holdings exchangeable limited partnership interests. BGC Partners, in its capacity as the general partner of BGC Holdings, will not cause BGC Holdings, in its capacity as the general partner of BGC U.S. and BGC Global, to make any amendments (other than ministerial or other immaterial amendments) to the limited partnership agreement of either BGC U.S. or BGC Global unless such action is approved by a majority of BGC Partners' independent directors.

Classes of Interests in the Opcos

As of the date hereof, BGC U.S. and BGC Global each had the following outstanding interests:

- a general partnership interest, which is held by BGC Holdings;
- limited partnership interests, which are directly and indirectly held by BGC Partners and BGC Holdings; and
- a special voting limited partnership interest, which is held by BGC Holdings and which entitles the holder thereof to remove and appoint the general partner of BGC U.S. or BGC Global, as the case may be.

The aggregate number of authorized units in each of BGC U.S. and BGC Global is 600 million, and in the event that the total number of authorized shares of BGC Partners common stock under BGC Partners' certificate of incorporation is increased or decreased after March 31, 2008, the total number of authorized units in each of BGC U.S. and BGC Global, as the case may be, will be correspondingly increased or decreased by the same number so that the number of authorized BGC U.S. units and BGC Global units, as the case may be, equals the number of authorized shares of BGC Partners common stock.

Any authorized but unissued BGC U.S. units or BGC Global units, as the case may be, may be issued:

- pursuant to the contribution and the separation;
- to BGC Partners and/or BGC Holdings and members of their group, as the case may be, in connection with an investment in BGC U.S. and BGC Global;
- to BGC Holdings or members of its group in connection with a redemption pursuant to the BGC Holdings limited partnership agreement as described in "—Amended and Restated BGC Holdings Limited Partnership Agreement—Redemption of BGC Holdings Founding/Working Partner Interests and Limited Partnership Units";

- as otherwise agreed by each of the general partner and the limited partners (by affirmative vote of the limited partners holding a majority of the units underlying limited partnership interests outstanding of BGC U.S. or BGC Global, as the case may be (except that if BGC Holdings and its group holds a majority in interest and Cantor and its group holds a majority of units underlying the BGC Holdings exchangeable limited partnership interests, then majority of interest means Cantor), which we refer to as an "Opcos majority in interest";
- to BGC Partners or BGC Holdings in connection with a grant of equity by BGC Partners or BGC Holdings; and
- to any BGC U.S. or BGC Global partner, as the case may be, in connection with a conversion of an issued unit and interest into a different class or type of unit and interest.

There will be no additional classes of partnership interests in BGC U.S. or BGC Global.

Distributions

The profit and loss of BGC U.S. and BGC Global are generally allocated based on the total number of BGC U.S. units and BGC Global units outstanding, other than in the case of certain litigation matters, the impact of which is allocated to the BGC U.S. and BGC Global partners who are members of the BGC Holdings group.

BGC U.S. and BGC Global each distribute to each of its partners (subject to the allocation of certain litigation matters to BGC U.S. and BGC Global partners, as the case may be, who are members of the BGC Holdings group):

- on or prior to each estimated tax due date (the 15th day of each April, June, September and December, in the case of a partner that is not an individual, and the 15th day of each April, June, September and January in the case of a partner who is an individual, or, in each case, if earlier with respect to any quarter, the date on which BGC Partners is required to make an estimated tax payment), such partner's estimated proportionate quarterly tax distribution for such fiscal quarter;
- on or prior to each estimated tax due date for partners who are members of the BGC Holdings group, an amount (positive or negative) for such fiscal quarter in respect of items of income, gain, loss or deduction allocated in respect of certain litigation matters; and
- as promptly as practicable after the end of each fiscal quarter, an amount equal to the excess, if any, of (a) the net positive cumulative amount allocated to such partner's capital account pursuant to the BGC U.S. limited partnership agreement or BGC Global limited partnership agreement, as the case may be, after the date of such agreement over (b) the amount of any prior distributions to such partner.

BGC U.S. or BGC Global, as the case may be, may, with the prior written consent of the holders of an Opcos majority in interest of the limited partnership interests, decrease the total amount distributed by BGC U.S. or BGC Global, as the case may be. In addition, if BGC U.S. or BGC Global, as the case may be, is unable to make the distributions required above as a result of any losses of the Opcos arising from the certain litigation claims, then BGC U.S. or BGC Global, as the case may be, will use reasonable best efforts to borrow such amounts as are necessary to make distributions that would have been received by the BGC Partners group in the absence of any such potential litigation claims and to make the estimated proportionate quarterly tax distribution to the Cantor group. The borrowing costs of any such borrowing will be treated as part of such potential litigation claims.

The limited partnership agreements of BGC U.S. and BGC Global also provide that at the election of BGC Partners, in connection with a repurchase of its Class A common stock or similar actions, BGC U.S. and BGC Global may redeem and repurchase from BGC Partners a number of units equivalent to the number of shares of common stock repurchased by BGC Partners in exchange for cash in the amount of the gross proceeds to be paid in connection with such stock repurchase. The proportion of such amount to be paid by BGC U.S. and BGC Global shall be determined by BGC Partners.

Transfers of Interests

In general, subject to the exceptions described below, no BGC U.S. partner or BGC Global partner, as the case may be, may transfer or agree to transfer all or any portion of, or any rights, title and interest in and to, its interest in BGC U.S. or BGC Global, as the case may be.

Limited partners of BGC U.S. and BGC Global may transfer their limited partnership interests in the following circumstances:

- in connection with the contribution and the separation;
- if the transferee limited partner will be a member of the BGC Partners group or the BGC Holdings group; or
- with the prior written consent of the general partner and the limited partners (by affirmative vote of an Opcos majority in interest, not to be unreasonably withheld or delayed).

The special voting limited partner may transfer the special voting limited partnership interest in connection with the contribution and the separation or to a wholly-owned subsidiary of BGC Holdings (except that in the event such transferee ceases to be a wholly-owned subsidiary of BGC Holdings, the special voting partnership interest will automatically be transferred to BGC Holdings, without any further action required on the part of BGC U.S. or BGC Global, as the case may be, BGC Holdings or any other person).

The general partner may transfer its general partnership interest in the following circumstances:

- in connection with the contribution and separation;
- to a new general partner; or
- with the special voting limited partner's prior written consent.

The special voting limited partner may in its sole and absolute discretion remove any general partner, with or without cause. The general partner may resign as the general partner of BGC U.S. or BGC Global, as the case may be, for any reason, except that as a condition to any removal or resignation, the special voting limited partner will first appoint a new general partner who will be admitted to BGC U.S. or BGC Global, as the case may be, and the resigning or removed general partner will transfer its entire general partnership interest to the new general partner.

No partner may charge or encumber its BGC U.S. or BGC Global interest, as the case may be, or otherwise subject such interest to any encumbrance, except those created by the BGC U.S. limited partnership agreement or BGC Global limited partnership agreement, as the case may be.

Amendments

Each of the BGC U.S. and BGC Global limited partnership agreements cannot be amended except with the approval of each of the general partner and the limited partners (by the affirmative vote of an Opcos majority in interest) of BGC U.S. or BGC Global, as the case may be. In addition, each of the BGC U.S. and BGC Global limited partnership agreements cannot be amended to:

- amend any provisions which require the consent of a specified percentage in interest of the limited partners without the consent of that specified percentage in interest of the limited partners;
- alter the interest of any partner in the amount or timing of distributions or the allocation of profits, losses or credits, if such alteration would either materially adversely affect the economic interest of a partner or would materially adversely affect the value of interests, without the consent of the partners holding at least two-thirds of all units, in the case of an amendment applying in substantially similar manner to all classes of interests, or two-thirds in interest of the affected class or classes of the partners, in the case of any other amendment; or
- alter the special voting limited partner's ability to remove a general partner.

The general partner of BGC U.S. or BGC Global, as the case may be, may authorize any amendment to correct any technically incorrect statement or error in order to further the parties' intent or to correct any formality or error or defect in the execution of the BGC U.S. or BGC Global limited partnership agreement, as the case may be.

Corporate Opportunity; Fiduciary Duty

The BGC U.S. limited partnership agreement and BGC Global limited partnership agreement contain similar corporate opportunity provisions to those included in the BGC Partners certificate of incorporation with respect to BGC Partners and/or BGC Holdings and their respective representatives. See "Description of Capital Stock—Anti-Takeover Effects of Our Certificate of Incorporation and Bylaws and Delaware Law—Corporate Opportunity."

Parity of Interests

The BGC U.S. limited partnership agreement and BGC Global limited partnership agreement provide that it is the non-binding intention of each of the partners of BGC U.S. and BGC Global and each of BGC Global and BGC U.S. that the number of outstanding BGC U.S. units equals the number of outstanding BGC Global units. It is the non-binding intention of each of the partners of BGC U.S. and BGC Global and each of BGC Global and BGC U.S. that there be a parallel issuance or repurchase transaction by BGC U.S. or BGC Global in the event of any issuance or repurchase by the other Opco so that the number of outstanding BGC U.S. units at all times equals the number of outstanding BGC Global units.

In August 2008, we were authorized to cause BGC Holdings to issue REUs in connection with acquisitions and to provide for such acquisitions to be done in only one of BGC U.S. or BGC Global when appropriate. In such event, we are authorized to break parity with respect to outstanding units in such entities although no decision to do so has been made at this time.

On September 26, 2008, the limited partnership agreement of BGC US and the limited partnership agreement of BGC Global were amended, effective as of September 1, 2008, to provide that, at the Company's election, in connection with a repurchase of our Class A common stock or similar actions, BGC US and BGC Global will redeem and repurchase from the Company a number of units in BGC US and BGC Global equivalent to the number of shares of Class A common stock repurchased by the Company in exchange for cash in the amount of the gross proceeds to be paid in connection with such stock repurchase. The proportion of such amount to be paid by BGC US or BGC Global will be determined by BGC Partners. Certain technical amendments were also made to conform such limited partnership agreements to the BGC Holdings limited partnership agreement.

Administrative Services Agreements and Tower Bridge

We have entered into a series of administrative services agreements between our affiliates and those of Cantor which generally have an initial term of three years. Thereafter, each administrative services agreement renews automatically for successive one-year terms, unless any party provides written notice to the other parties of its desire to terminate the agreement at least 120 days before the end of any such year ending during the initial or extended term, in which event such administrative services agreement will end with respect to the terminating party on the last day of such term. In addition, any particular service provided under an administrative services agreement may be cancelled by any party, with at least 90 days' prior written notice to the providing party, with no effect on the other services.

During the term of each administrative services agreement, the parties will provide administrative and technical support services to each other, including administration and benefits services; employee benefits, human resources, and payroll services; financial and operations services; internal auditing services; legal related services; risk and credit services; accounting and general tax services; space, personnel, hardware and equipment services; communication and data facilities; facilities management services; promotional, sales and marketing services; procuring of insurance coverage; and any miscellaneous services to which the parties reasonably agree. Cantor is entitled to continued use of hardware and equipment it used prior to the date of any applicable administrative services agreement on the terms and conditions provided even in the event BGC Partners terminates such administrative services agreement, although there is no requirement to repair or replace.

Each administrative services agreement generally provides that direct costs incurred are charged back to the service recipient along with a reasonable allocation of other costs. Additionally, the services recipient generally indemnifies the services 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 each administrative service agreement, we have not recognized any liabilities related to services provided to service recipient affiliates.

In March 2011, the Audit Committee authorized us to receive an allocation of the differential between our and Cantor's average increase in total compensation year over year to employees shared with Cantor under each administrative services agreement without a corresponding increase in allocation to Cantor for 2010. For 2011, the Audit Committee also authorized that the differential in average increase in total compensation for that year to shared employees be allocated to us only. In each case, such total compensation shall be allocated or credited to us only in respect of the period for which the awards were made (regardless of the ultimate charges associated with such awards) and shall be calculated at the date of grant and equal the total cash paid by us to each employee plus the number of partnership or equity units issued to such employee multiplied by the price of a share of our Class A common stock on the date of grant plus the gross amount of any cash advance distribution loan made to such employee.

We will continue to provide assets (principally computer equipment), systems/infrastructure and office space in the United Kingdom and Europe to Cantor, and, to the extent applicable, we and our affiliates will continue to do the same in Asia as well. We will provide these assets and office space to Tower Bridge (defined below) in the U.K. to allow it to conduct its business. We will charge Cantor on the same basis as it charges Tower Bridge (although we will charge Tower Bridge without any mark-up). Tower Bridge and its affiliates will charge Cantor on the basis described above for such assets and office space. These assets may be subject to operating leases with third-party leasing companies. We believe that the rate on such leases, subleases or licenses is no greater than would be incurred with a third party on an arm's-length basis.

In the U.S., Cantor and its affiliates provide us with administrative services and other support for which Cantor charges us based on the cost of providing such services. Such support includes allocations for occupancy of office space, utilization of fixed assets and accounting, operations, human resources and legal services. In connection with the services Cantor provides, we and Cantor entered into an employee lease agreement whereby certain employees of Cantor are deemed leased employees of ours. In the U.S., we provide Cantor with technology services for which we charge Cantor based on the cost of providing such services. 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 our 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 our consolidated statements of operations.

Throughout Europe and Asia, we provide Cantor with administrative services, technology services and other support for which we charge Cantor based on the cost of providing such services plus a mark-up, generally 7.5%. In the U.K., we provide these services to Cantor through Tower Bridge International Services L.P. ("Tower Bridge"). We own 52% of Tower Bridge and consolidate it, and Cantor owns 48%. Cantor's interest in Tower Bridge is reflected as a component of "Noncontrolling interest in subsidiaries" in our 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 our consolidated statements of operations. The right to share in profits and losses and receive distributions from Tower Bridge is divided between us (on behalf of our nominated entities) and Cantor (on behalf of its nominated entities) based on these ownership interests.

On January 9, 2012, Tower Bridge entered into six new administrative services agreements, which we refer to as the "New ASAS," effective December 31, 2011, under which Tower Bridge provides specified administrative services to each of our six U.K. affiliates: BGC Brokers L.P., Cantor Fitzgerald Europe, BGC International, eSpeed International Limited, eSpeed Support Services Limited and Cantor Index Limited, which we refer to as the "U.K. Entities." In the event of any conflict between the administrative services agreements and the New ASAs, the New ASAs will govern. The New ASAs terminate the existing administrative service agreements in relation to the U.K. Entities only. The New ASAs are compliant with relevant regulatory requirements in the U.K. and comply with the FSA rules relating to outsourcing of material functions under Section 8 of the Senior Management Arrangements, Systems and Controls. The New ASAs do not materially change the services obligations between the parties and the existing commercial relationships have been

broadly retained. The New ASAs provide for various provisions, including additional service levels, a longer termination period, step-in rights for the U.K. Entities, continuation rights on insolvency, audit rights for the U.K. Entities and their regulators, and provision of business continuity in the event of an outage or incident.

Each New ASA commenced on December 31, 2011 and will remain in force until terminated in accordance with its terms. A U.K. Entity may terminate the New ASA on 365 days' notice, for material uncorrected breaches, insolvency of Tower Bridge or a force majeure event which continues for three months or more. A U.K. Entity may also terminate specific services upon 365 days' notice (or a shorter period if the parties agree in writing), and Tower Bridge may terminate specific services with a U.K. Entity's consent. Tower Bridge may terminate the New ASA on 365 days notice or for material uncorrected breaches, for failure to pay or a force majeure event which continues for three months or more. The charges to a U.K. Entity for services are calculated using the direct cost to Tower Bridge of providing the services plus a transfer pricing mark up which varies according to which entity provides the services.

If Tower Bridge becomes insolvent, then a U.K. Entity can (1) terminate the New ASA at any time on written notice or (2) step in and take over the provision of the services itself either directly or via a nominated third party (to the extent permitted under insolvency laws). Step-in rights may only be exercised where the U.K. Entity reasonably believes that crucial functions have been substantially prevented, hindered or delayed and only apply to the service in question. In such a situation, Tower Bridge is required to fully cooperate with the U.K. Entity and the U.K. Entity must pay for third-party costs. Step-in rights cease when Tower Bridge is able to perform the services again. Step in rights are also available to a U.K. Entity on material breach, default or non-performance by Tower Bridge. If a U.K. Entity becomes insolvent, Tower Bridge may terminate the New ASA in certain limited circumstances. Tower Bridge is required to continue to provide the services for a period of 90 days post-insolvency (provided the U.K. Entity pays for those post insolvency services) notwithstanding that it might be owed money by the U.K. Entity for services provided pre-insolvency.

Tower Bridge charges each recipient of services for actual costs incurred for services provided plus a mark-up (if any), as the parties may agree from time to time. Each recipient of services remains responsible for its own regulatory and other compliance functions. For the year ended December 31, 2016, we were charged $52.1 million for the services provided by Cantor and its affiliates, of which $28.2 million was to cover compensation to leased employees for the year ended December 31, 2016.

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 and 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, we completed our acquisition (the "JPI Merger") of Jersey Partners, Inc. ("JPI"). The JPI Merger occurred pursuant to a 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 JPI Merger allowed BGC to acquire the remaining approximately 33% of the outstanding shares of GFI common stock that BGC did not already own. Following the closing of the JPI Merger, BGC and its affiliates now own 100% 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 $111.2 million in cash were issued or paid with respect to the closing of the JPI Merger, inclusive of adjustments ($89.9 million has been paid as of December 31, 2016). 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.

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, we completed the sale (the "Trayport Transaction") of all of the equity interests in the entities that make up the Trayport business to Intercontinental Exchange, Inc. ("ICE"). The Trayport business was GFI's electronic European energy software, trading, and market data 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. Through December 31, 2016, we have sold more than 95% of our 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.

ELX Futures, L.P.

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. Cantor provides certain administrative and similar services to ELX. Effective December 23, 2014, the Company is consolidating ELX in its consolidated financial statements. Prior to consolidating ELX, the Company accounted for ELX under the equity method of accounting.

During the year ended December 31, 2016, the Company made no capital contributions to ELX. On March 28, 2012, the Company entered into a credit agreement with ELX, whereby the Company has agreed to lend ELX up to $16.0 million. As of December 31, 2016, the Company had not loaned ELX any amounts under this agreement. The Company has entered into a technology services agreement with ELX pursuant to which the Company provides software technology licenses, monthly maintenance support and other technology services as requested by ELX. As part of the Company's sale to Nasdaq, Inc. of certain assets relating to the U.S. Treasury benchmark business, the Company sold the technology services agreement with ELX to Nasdaq. For the year ended December 31, 2016, the Company recognized related party revenues of $24.2 million for the services provided to Cantor.

Tax Receivable Agreement

Certain interests in BGC Holdings may, in effect, be exchanged in the future for shares of BGC Partners Class A common stock or BGC Partners 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 party to 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 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 of 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% of cash savings, if any, in income tax that we realize. Pursuant to the tax receivable agreement, we will determine, after consultation with Cantor, the extent to which we are permitted to claim any such tax benefits, and such tax benefits will be taken into account in computing any cash savings so long as our accountants agree that it is at least more likely than not that such tax benefit is available. Cantor has not exercised this right to date, but there can be no assurance that it will not do so in the future.

Pursuant to the tax receivable agreement, 20% of each payment that would otherwise be made by us will be deposited into an escrow account until the expiration of the statute of limitations for the tax year to which the payment relates. If the Internal Revenue Service successfully challenges the availability of any tax benefit and determines that a tax benefit is not available, we will be entitled to receive reimbursements from Cantor for amounts we previously paid under the tax receivable agreement and Cantor will indemnify us and hold us harmless with respect to any interest or penalties and any other losses in respect of the disallowance of any deductions which gave rise to the payment under the tax receivable agreement (together with reasonable attorneys' and accountants' fees incurred in connection with any related tax contest, but the indemnity for such reasonable attorneys' and accountants' fees shall only apply to the extent Cantor is permitted to control such contest). Any such reimbursement or indemnification payment will be satisfied first from the escrow account (to the extent funded in respect of such payments under the tax receivable agreement).

For purposes of the tax receivable agreement, cash savings in income and franchise tax will be computed by comparing our actual income and franchise tax liability to the amount of such taxes that we would have been required to pay had there been no depreciation or amortization deductions available to us that were attributable to an increase in tax basis (or any imputed interest) as a result of an exchange and had BGC Partners OldCo not entered into the tax receivable agreement. The tax receivable agreement was entered into on March 31, 2008, in connection with the transactions contemplated by the Separation Agreement, and will continue until all such tax benefits have been utilized or expired, unless we (with the approval by a majority of our independent directors) exercise our right to terminate the tax receivable agreement for an amount based on an agreed value of payments remaining to be made under the agreement, provided that if Cantor and we cannot agree upon a value, the agreement will remain in full force and effect. The actual amount and timing of any payment under the tax receivable agreement will vary depending on a number of factors, including the timing of exchanges, the extent to which such exchanges are taxable and the amount and timing of our income.

Any amendment to the tax receivable agreement will be subject to approval by a majority of our independent directors.

Aqua

In January 2007, the Company announced the formation of Aqua Securities, L.P. ("Aqua"), an alternative electronic trading platform which offers new pools of block liquidity to the global equities markets. On May 30, 2007, the Financial Industry Regulatory Authority ("FINRA") approved the partial ownership change and name agreement whereby we are entitled to a 49% interest in Aqua, and Cantor is entitled to a 51% interest in Aqua, which may be subject to dilution by other investors from time to time. Cantor and the Company have collectively contributed financial, professional and technology assets to the venture, which included all of the Company's former equities order routing business. On October 2, 2007, Aqua obtained permission from FINRA to operate an Alternative Trading System and to provide Direct Market Access for institutional block equity buy-side and sell-side firms. In June 2008, we were authorized to enter into loans, investments or other credit support arrangements for Aqua of up to $5.0 million in the aggregate, which arrangements would be proportionally and on the same terms as similar arrangements between Aqua and Cantor (which

amount authorized was increased by $2.0 million on November 1, 2010, an additional $3.0 million on November 5, 2012 and an additional $600,000 on February 25, 2015). We were 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.

On August 21, 2008, the Company entered into a two-year Subordinated Loan Agreement, whereby the Company agreed to lend Aqua the principal sum of $980,000, at the applicable rate of six month LIBOR plus 200 basis points. The cash proceeds covered by this Agreement were used and dealt with by Aqua as part of its capital and were subject to the risks of the business. The Subordinated Loan Agreement was amended most recently on August 27, 2014. As a result of such amendments, the scheduled maturity date on the subordinated loan is September 1, 2018, and the current rate of interest on the loan is three month LIBOR plus 600 basis points. Aqua is also authorized to receive clearing and administrative services from Cantor and technology infrastructure services from us. Aqua is authorized to pay sales commissions to brokers of Cantor or other brokers who introduce clients who become Aqua participants.

The Company has been authorized to enter into loans, investments or other credit support arrangements for Aqua of up to $16.2 million in the aggregate; such arrangements would be proportionally and on the same terms as similar previous arrangements between Aqua and Cantor. During the year ended December 31, 2016, the Company made $1.2 million in cash contributions to Aqua.

Guarantee Agreement From CF&Co

Under rules adopted by the U.S. Commodity Futures Trading Commission (the "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. 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 certain subsidiaries of GFI), and we (or GFI, as the case may be) are required to indemnify CF&Co for the amounts, if any, paid by CF&Co pursuant to this arrangement.

Registration Rights Agreements

Pursuant to various registration rights agreements entered into by Cantor and us, Cantor has received piggyback and demand registration rights.

Formation Registration Rights Agreement

Under the formation registration rights agreement, the piggyback registration rights allow Cantor to register the shares of Class A common stock issued or issuable to it in connection with the conversion of its shares of Class B common stock whenever we propose to register any shares of our Class A common stock for our own or another's account under the Securities Act of 1933, as amended (the "Securities Act"), for a public offering, other than any shelf registration of shares of our Class A common stock to be used as consideration for acquisitions of additional businesses and registrations relating to employee benefit plans.

Cantor also has the right, on three occasions, to require that we register under the Securities Act any or all of the shares of our Class A common stock issued or issuable to it in connection with the conversion of its shares of our Class B common stock. The demand and piggyback registration rights apply to Cantor and to any transferee of shares held by Cantor who agrees to be bound by the terms of the formation registration rights agreement.

We have agreed to pay all costs of one demand and all piggyback registrations, other than underwriting discounts and commissions. We have also agreed to indemnify Cantor and any transferee for certain liabilities they may incur in connection with the exercise of their registration rights. All of these registration rights are subject to conditions and limitations, including (1) the right of underwriters of an offering to limit the number of shares included in that registration, (2) our right not to effect any demand registration within six months of a public offering of our securities and (3) that Cantor agrees to refrain from selling its shares during the period from 15 days prior to and 90 days after the effective date of any registration statement for the offering of our securities.

Separation Registration Rights Agreement

In connection with the 2008 separation, BGC Partners OldCo entered into the separation registration rights agreement with Cantor which provides that the holders of our common stock, issued or to be issued upon exchange of the BGC Holdings exchangeable limited partnership interests held by Cantor and for any shares of our common stock issued or issuable in respect of or in exchange for any shares of our common stock, are granted registration rights. We refer to these shares as "registrable securities," and we refer to the holders of these registrable securities as "holders."

The separation registration rights agreement provides that, after exchange of the BGC Holdings exchangeable limited partnership interests or conversion of Class B common stock into Class A common stock, as the case may be, each holder is entitled to unlimited piggyback registration rights, meaning that each holder can include his or her registrable securities in registration statements filed by us, subject to certain limitations. Cantor exercised such piggyback rights to participate in the June 2008 offering.

The separation registration rights agreement also grants Cantor four demand registration rights requiring that we register the shares of Class A common stock held by Cantor, provided that the amount of securities subject to such demand constitutes at least 10% of the shares of Class A common stock outstanding or has an aggregate market value in excess of $20 million and no more than one demand registration during any twelve-month period.

We will pay the costs but the holders will pay for any underwriting discounts or commissions or transfer taxes associated with all such registrations.

We have agreed to indemnify the holders registering shares pursuant to the separation registration rights agreement against certain liabilities under the Securities Act.

8.75% Convertible Senior Notes Registration Rights Agreement

As described below under "—8.75% Convertible Senior Notes due 2015," the Company granted registration rights in connection with the issuance of its 8.75% Convertible Senior Notes due 2015.

5.125% Senior Notes due 2021

On May 27, 2016, we issued an aggregate of $300.0 million principal amount of 5.125% Senior Notes due 2021 (the "5.125% Senior Notes"). In connection with this issuance of 5.125% Senior Notes, we recorded approximately $0.5 million in underwriting fees payable to CF&Co and $18 thousand to CastleOak Securities, L.P. Cantor, purchased $15 million of such senior notes and still holds such notes as of December 31, 2016.

Freedom International Brokerage

We and Cantor formed Freedom International Brokerage Company ("Freedom") to acquire a 66.7% interest in Freedom International Brokerage, a Canadian government securities broker-dealer and Nova Scotia unlimited liability company, in April 2001. As of the closing of the merger, we became entitled to 100% of Freedom's capital interest in Freedom International Brokerage and we assumed 100% of Freedom's cumulative profits. As of December 31, 2016, the investment in Freedom International Brokerage was $8.6 million. We also entered into the Freedom services agreements with Freedom International Brokerage. As of December 31, 2016, the Company had receivables from Freedom of $1.3 million.

Controlled Equity Offering/Payment of Commissions to Cantor Fitzgerald & Co

On November 20, 2014, the Company entered into a controlled equity offering sales agreement with CF&Co (the "November 2014 Sales Agreement"), pursuant to which the Company could offer and sell up to 20,000,000 shares of its

Class A common stock sold under the Company's shelf Registration Statement on Form S-3 (Reg. No. 333-200415), from time to time through CF&Co as the Company's sales agent. Under such sales agreement, the Company agreed to pay to CF&Co a commission of 2% of the gross proceeds from the sale of such shares. As of March 31, 2017, approximately 16,819,294 shares of Class A common stock have been sold under the November 2014 Sales Agreement, resulting in a total of approximately $3.2 million paid by the Company to CF&Co, and 3,180,706 shares of Class A common stock remain to be sold under such Agreement.

On April 12, 2017, the Company entered into a controlled equity offering sales agreement with CF&Co (the "April 2017 Sales Agreement"), pursuant to which the Company could offer and sell up to 20,000,000 shares of its Class A common stock sold under the Company's shelf Registration Statement on Form S-3 (Reg. No. 333-214772), from time to time through CF&Co as the Company's sales agent. Under such sales agreement, the Company agreed to pay to CF&Co a commission of 2% of the gross proceeds from the sale of such shares. As of April 12, 2017, no shares of Class A common stock have been sold under the April 2017 Sales Agreement.

BGC Holdings Exchangeable Limited Partnership Interests Held by Cantor

As of March 31, 2017, Cantor held an aggregate of 51,183,176 BGC Holdings exchangeable limited partnership interests.

The Company has filed various resale registration statements with respect to shares of Class A common stock that may be sold from time to time on a delayed or continuous basis by (i) Cantor at the direction of and for the account of certain current and former Cantor partners, and/or by such partners, as distributees of shares of Class A common stock from Cantor, (ii) charitable organizations that receive donations of shares from Cantor, and/or (iii) the Relief Fund with respect to the shares donated by the Company to it in connection with the Company's Charity Day. The Company pays all of the expenses of registration other than any underwriting discounts and commissions and stock transfer taxes.

Certain Financial Advisory Fees and Commissions Paid by the Company to CF&Co

On August 2, 2010, the Company was authorized to engage CF&Co and its affiliates to act as financial advisor in connection with one or more third-party business combination transactions with or involving one or more targets as requested by the Company on behalf of its affiliates from time to time on specified terms, conditions and fees In addition, on September 3, 2010 the Company filed a registration statement on Form S-4 (the "Form S-4 Registration Statement"), which was declared effective by the SEC on October 12, 2010, for the offer and sale of up to 20,000,000 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. In addition to shares of Class A common stock, the Company may offer other consideration in connection with such business combination transactions, including, but not limited to, cash, notes or other evidences of indebtedness, BGC Holdings units that may be exchangeable for shares of Class A common stock offered and sold on the Form S-4 Registration Statement, assumption of liabilities or a combination of these types of consideration. The Form S-4 Registration Statement states that 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 Class A common stock offered pursuant to the Form S-4 Registration Statement in full or partial payment of such fees.

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.

On May 7, 2015, GFI retained CF&Co to assist it 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.

As of December 31, 2016, the Company had 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, 2016, the cash collateral received from CF&Co bore interest rates ranging from 0.80% to 1.00%.

Agreements with Cantor Commercial Real Estate Company, L.P.

On October 29, 2013, the Audit Committee of the Board of Directors authorized us 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 and negotiating and due diligence services, in connection with our acquisition and other business strategies in commercial real estate and other businesses from time to time. Such services would be provided at fees not to exceed the fully allocated cost of such services plus 10% and payment of fees for such services prior to October 31, 2013. In connection with this agreement, the Company did not recognize any expense for the year ended December 31, 2016.

We also have 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, we paid $0.4 million for the year ended December 31, 2016.

We also have a revenue-share agreement with CCRE, in which the Company pays CCRE for referrals for leasing or other services. In connection with this agreement, the Company paid $0.4 million to CCRE for the year ended December 31, 2016.

Charity Day

During the year ended December 31, 2015, the Company made 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 in the aggregate principal amount of $1.0 million due on August 4, 2016. On March 2, 2016, the promissory note was cancelled in connection with charitable contribution commitments related to the Company's annual Charity Day.

During the year ended December 31, 2015, the Company also committed to make charitable contributions to the Relief Fund in the amount of $40.0 million over the next five years. As of December 31, 2016, the remaining liability associated with commitments to make charitable contributions was $30.7 million.

On February 23, 2016, the Company purchased from the Relief Fund 970,639 shares of the Company's Class A common stock at a price of $8.72 per share, the closing price on the date of the transaction. On November 16, 2016, the Company purchased from the Relief Fund 166,238 shares of the Company's Class A common stock at a price of $9.74 per share, the closing price on the date of transaction.

Other Transactions

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, 2016, 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 will be utilized to determine the shares of profit or loss allocated to each for the period. During the year ended December 31, 2016, the Company recognized its share of foreign exchange gains of $4.2 million.

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. The Company and Cantor enter into these agreements from time to time.

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 from time to time by the Company 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 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 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, 2016, the Company did not have any investments in the program.

On June 5, 2015, the Company 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 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 and CFGM have the right to exchange the 17,014,511 shares of Class A common stock owned by them as of April 29, 2016 (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 April 29, 2016).

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 March 31, 2017, there were no borrowings outstanding under this facility.

Related Party Receivables and Payables

The Company has receivables and payables to and from certain affiliated entities. As of December 31, 2016, the related party receivables and payables were $130.1 million and $214.0 million, respectively. Fees to related parties and allocations of net income and grant of exchangeability to limited partnership units that are charged by the Company and Cantor are reflected as cash flows from operating activities in the combined statement of cash flows for each period presented in our financial statements. Related party receivables are generated from our earnings as BGC Partners sweeps our excess cash to manage treasury centrally. Related party payables reflect borrowing of cash from BGC Partners to fund our operations and growth. These borrowings from and repayments to BGC Partners are reflected as cash flows from financing activities in the combined statement of cash flows for each period presented in our financial statements.

LFI Holdings 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" or "Lucera'), a wholly owned 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 $6,500,000 and was granted an option to purchase an additional 1,000 Class B Units of LFI for an additional $6,500,000. LFI is a limited liability corporation headquartered in New York which is a technology infrastructure provider tailored to the financial sector.

On January 15, 2016, the Company closed on the exercise of its option to acquire additional Class B Units of LFI. At the closing, the Company made a payment of $6.5 million to LFI.

On October 25, 2016, the Company's Board of Directors and Audit Committee authorized the purchase of 9,000 Class B Units of LFI, representing all of the issued and outstanding Class B Units of LFI not already owned by the Company. On November 4, 2016, the Company completed this transaction. As a result of this transaction, the Company owns 100% of the ownership interests in LFI. In the purchase agreement, Cantor agreed, subject to certain exceptions, not to solicit certain senior executives of LFI's business and was granted the right to be a customer of LFI's businesses on the best terms made available to any other customer. The aggregate purchase price paid by the Company to Cantor consisted of approximately $24.2 million in cash plus a $4.8 million post-closing adjustment.

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. The Company provided development services to Cantor in the year ended December 31, 2016 under this arrangement. The cost of development services provided to date is approximately $1.2 million.

Real Estate and Related Services

In July 2016, the Audit Committee of the Company authorized the Company to provide real estate and related services, including real estate advice, brokerage, property or facilities management, appraisals and valuations and other services, to Cantor on rates and terms no less favorable to the Company than those charged to third-party customers. The Company and Cantor expect to enter into these arrangements from time to time. The Company did not provide any such real estate and related services in the year ended December 31, 2016.

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.

Exercises of Stock Options

The Company issued 76,000 shares of its Class A common stock related to the exercise of stock options during the year ended December 31, 2016.

Messrs. Lutnick, Lynn and Merkel have engaged and in the future may engage in exercises of employee stock options. In addition, in connection with such exercises, such executive officers may sell to the Company from time to time the net shares of Class A common stock acquired by them upon such exercises.

On March 9, 2016, Mr. Lutnick exercised an employee stock option with respect to 250,000 shares of Class A common stock at an exercise price of $8.42 per share. The net exercise of the option resulted in 17,403 shares of the Company's Class A common stock being issued to Mr. Lutnick.

On November 11, 2016, Mr. Lutnick exercised an employee stock option with respect to 800,000 shares of Class A common stock at an exercise price of $8.80 per share. The net exercise of the option resulted in 51,064 shares of the Class A common stock being issued to Mr. Lutnick.

On November 10, 2016, Mr. Dalton exercised a stock option with respect to 7,534 shares of Class A common stock at an exercise price of $8.87 per share.

Potential Conflicts of Interest and Competition with Cantor

Various conflicts of interest between us and Cantor may arise in the future in a number of areas relating to our past and ongoing relationships, including potential acquisitions of businesses or properties, the election of new directors, payment of dividends, incurrence of indebtedness, tax matters, financial commitments, marketing functions, indemnity arrangements, service arrangements, issuances of capital stock, sales or distributions of shares of our common stock and the exercise by Cantor of control over our management and affairs.

Cantor will continue 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 business, entry into new lines of business and borrowings and issuances of our common stock or other securities. This control will be subject to the approval of our independent directors on those matters requiring such approval. Cantor's voting power may also have the effect of delaying or preventing a change of control of the Company. This control will also be exercised because:

- Cantor is, in turn, controlled by CFGM, its managing general partner, and, ultimately, by Mr. Lutnick, who serves as our Chief Executive Officer and Chairman. Mr. Lutnick is also the Chairman of the Board and Chief Executive Officer of Cantor and the President and controlling stockholder of CFGM;
- Mr. Merkel, who serves as our Executive Vice President, General Counsel and Secretary, is employed as Executive Managing Director, General Counsel and Secretary of Cantor.

Messrs. Lutnick and Merkel have holdings in Cantor through partnership unit ownership, including distribution rights.

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 officers are faced with decisions that could have different implications for Cantor and us. In addition, although in connection with the separation Cantor redeemed all of the Cantor limited partnership interests held by founding partners for BGC Holdings limited partnership interests and distribution rights, Messrs. Lutnick and Merkel continue to hold Cantor limited partnership and other interests in Cantor and its affiliates, including distribution rights, and were not redeemed for BGC Holdings limited partnership interests in connection with the separation or the merger.

It is also expected that Cantor will manage its ownership of our company 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 common stock or securities convertible or exchangeable into shares of common stock that would dilute the voting power in us of the holders of BGC Holdings exchangeable limited partnership interests.

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;
- our issuance or disposition of securities;
- 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 common stock or purchases of BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor or our executive officers;
- business operations or business opportunities of us and Cantor that would compete with the other party's business opportunities, including brokerage and financial services by us and Cantor;
- 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 by Cantor and/or Tower Bridge; and
- provision of clearing capital pursuant to the Clearing Agreement and potential and existing loan arrangements.

In addition, Cantor has from time to time in the past considered possible strategic realignments of its business and the business relationships that exist between and among Cantor and the businesses comprising our company and may do so in the future. Any future related-party transactions or arrangements between us and Cantor, until Cantor ceases to hold 5% of our voting power, are subject to the prior approval by a majority of our independent directors, but generally will not otherwise require the separate approval of our stockholders, and if such approval were required, Cantor would retain sufficient voting power to provide any such requisite approval without the affirmative consent of the other stockholders.

Agreements and other arrangements with Cantor, including the Separation Agreement, may be amended upon agreement of the parties to those agreements and 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. As a result, the prices charged to or by us for services provided under agreements with Cantor may be higher or lower than prices that may be charged to or by third parties, and the terms of these agreements may be more or less favorable to us than those that we could have negotiated with third parties.

In order to address potential conflicts of interest between Cantor and its representatives and us, our 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 our representatives and Cantor and its representatives.

If a third party presents a corporate opportunity (as defined below) to a person who is a representative of ours and a representative of a Cantor Company, expressly and solely in such person's capacity as a representative of us, and such person acts in good faith in a manner consistent with the policy that such corporate opportunity belongs to us, then such person:

- will be deemed to have fully satisfied and fulfilled any fiduciary duty that person has to us;
- will not be liable to us or any of our stockholders for breach of fiduciary duty by reason of such person's action or inaction with respect to the corporate opportunity;
- will be deemed to have acted in good faith and in a manner that such person reasonably believed to be in, and not opposed to, our best interests; and
- will be deemed not to have breached such person's duty of loyalty to us and our stockholders, and not to have derived an improper personal benefit therefrom.

A Cantor Company may pursue such a corporate opportunity if we decide not to.

If a corporate opportunity is not presented to a person who is both a representative of ours and a representative of a Cantor Company and, expressly and solely in such person's capacity as a representative of us, such person will not be obligated to present the corporate opportunity to us or to act as if such corporate opportunity belongs to us, and such person:

- will be deemed to have fully satisfied and fulfilled any fiduciary duty that such person has to us as a representative of us with respect to such corporate opportunity;
- will not be liable to us or any of our stockholders for breach of fiduciary duty by reason of such person's action or inaction with respect to such corporate opportunity;
- will be deemed to have acted in good faith and in a manner that such person reasonably believed to be in, and not opposed to, our best interests; and
- will be deemed not to have breached a duty of loyalty to us and our stockholders and not to have derived an improper personal benefit therefrom.

For purposes of the above:

- "Cantor Company" means Cantor and any of its affiliates (other than, if applicable, the Company and its affiliates);
- "representatives" means, with respect to any person, the directors, officers, employees, general partners or managing member of such person; and
- "corporate opportunity" means any business opportunity that we are financially able to undertake that, from its nature, in our lines of business, is of practical advantage to us and is one in which we have an interest or a reasonable expectancy, and in which, by embracing the opportunities, the self-interest of a Cantor Company or their respective representatives will be brought into conflict with our self-interest.

Leases

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.. In addition, Newmark has licensed its name to commercial real estate providers in certain locations where Newmark does not have its own offices.

Certain Acquisitions and Dispositions of Interests in Our Capital Stock by Cantor

Our Board of Directors has determined that Cantor is a "deputized" director of the Company for purposes of Rule 16b-3 under the Exchange Act with respect to the transactions contemplated by the separation and the merger and other transactions from time to time. Rule 16b-3 exempts from the short-swing profits liability provisions of Section 16(b) of the Exchange Act certain transactions in an issuer's securities between the issuer or its majority-owned subsidiaries and its officers and directors if, among other things, the transaction is approved in advance by the issuer's Board of Directors or a disinterested committee of the issuer's board of directors. The Rule 16b-3 exemption extends to any such transactions by an entity beneficially owning more than 10% of a class of an issuer's equity securities if the entity is a "deputized" director because it has a representative on the issuer's Board of Directors. Our Board of Directors' intent in determining that Cantor is a "deputized" director is that Cantor's acquisitions or dispositions of shares of our common stock or interests in our common stock from or to us or their respective majority-owned subsidiaries will be eligible for the Rule 16b-3 exemption from the short-swing profits liability provisions of Section 16(b) of the Exchange Act.

Repurchases and Purchases

Our Board of Directors and our Audit Committee have authorized repurchases of our 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 or our executive officers, at the volume-weighted average price, to the extent available, or at other negotiated prices, of such securities on the date on which such purchase or repurchase is made. Management was authorized to purchase shares in the open market as well as shares or partnership units from employees, partners, Cantor and/or its affiliates.

On October 27, 2015, our Board of Directors and Audit Committee increased the share repurchase and unit redemption authorization to $300 million. On February 7, 2017, our Board of Directors and Audit Committee reauthorized the share repurchase and unit redemption authorization to $300 million.

As of March 31, 2017, the Company had approximately $279.0 million remaining under this authorization. The Company may actively continue to repurchase shares, partnership units or other interests from time to time. We expect to pay such dividends, if and when declared by our Board of Directors and our Audit Committee, on a quarterly basis. The dividend to 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.

On February 23, 2016, we repurchased 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 and was approved by the Audit Committee.

In July 2016, the Audit Committee authorized the purchase by Mr. Lutnick's retirement plan of up to $350,000 in our Class A common stock at the closing price on the date of purchase. 36,405 shares of our Class A common stock were purchased by the plan on August 16, 2016 at $$8.77 per share, the closing price on the date of purchase.

On September 30, 2016, Mr. Merkel elected to sell, and the Company agreed to purchase, an aggregate of 16,634 shares of our Class A common stock at a price of $8.75 per share, the closing price of our Class A common stock on such date. Also on such date, certain trusts for the benefit of Mr. Merkel's immediate family, of which Mr. Merkel's spouse is the sole trustee of each trust and Mr. Merkel has the power to remove and replace such trustee, elected to sell, and the Company agreed to purchase, an aggregate of 4,131 shares of our Class A common stock on the same terms. These transactions were included in our stock repurchase authorization and authorized by the Audit Committee of the Board of Directors.

Credit Facility

On April 21, 2017, pursuant to a previously disclosed authorization by the Audit Committee of our Board of Directors, we entered into a $150 million revolving credit facility (the "Facility") with an affiliate of Cantor. We agreed to lend $150 million under the Facility to such affiliate (the "Loan"). As of the date hereof, the Facility was fully drawn and the interest rate on the Loan is currently 4.24%. The Facility has a maturity date of April 20, 2018, which maturity date may be extended from time to time on the terms set forth in the Facility.

To fund the Loan, on April 21, 2017, we drew $150 million from our revolving credit agreement with Bank of America, N.A., as administrative agent, and a syndicate of other lenders, dated as of February 25, 2016. This amount currently carries an interest rate of 2.99%.

EXPENSES OF SOLICITATION

The total cost of the proxy solicitation will be borne by us. In addition to the mails, proxies may be solicited by our directors and officers by personal interviews, telephone, or e-mail. It is anticipated that banks, brokerage houses and other custodians, nominees and fiduciaries will forward soliciting material to the beneficial owners of shares of Common Equity entitled to vote at the Annual Meeting and that such persons will be reimbursed for their out-of-pocket expenses incurred in this connection. If you choose to access the proxy materials and/or vote on the Internet, you are responsible for Internet access charges you may incur.

2018 STOCKHOLDER PROPOSALS

If a stockholder desires to present a proposal for inclusion in next year's proxy statement for our 2018 annual meeting of stockholders (assuming such meeting were to take place on approximately the same date as the 2017 meeting), the proposal must be submitted in writing to us for receipt not later than December 26, 2017. Additionally, to be included in the proxy materials, proposals must comply with the proxy rules relating to stockholder proposals, in particular Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Stockholders who wish to raise a proposal for consideration at our 2018 annual meeting of stockholders, but who do not wish to submit a proposal for inclusion in our proxy materials pursuant to Rule 14a-8 under the Exchange Act, should comply with our bylaws and deliver to us a copy of their proposal no later than December 26, 2017. If a stockholder fails to provide such notice, the respective proposal need not be addressed in the proxy materials and the proxies may exercise their discretionary voting authority if the proposal is raised at the annual meeting. In either case, proposals should be sent to BGC Partners, Inc., 499 Park Avenue, 3rd Floor, New York, NY 10022, Attention: Secretary.

CERTAIN MATTERS RELATING TO PROXY MATERIALS AND ANNUAL REPORTS

The Company may satisfy SEC rules regarding delivery of Notices of Internet Availability of Proxy Materials, proxy statements and annual reports by delivering a single copy of these materials to an address shared by two or more Company stockholders. This delivery method is referred to as "householding" and can result in meaningful cost savings for the Company. In order to take advantage of this opportunity, the Company will deliver only one Notice of Internet Availability of Proxy Materials to multiple stockholders who share an address and one proxy statement and annual report to multiple stockholders who share an address, and who do not participate in electronic delivery of proxy materials, unless contrary instructions are received from impacted stockholders prior to the mailing date.

We undertake to deliver promptly upon written or oral request a separate copy of the Proxy Statement and/or Annual Report, as requested, to a stockholder at a shared address to which a single copy of these documents was delivered. If you hold stock as a registered stockholder and prefer to receive separate copies of the Proxy Statement or Annual Report either now or in the future, please contact the Company via the contact page at *ir.bgcpartners.com/Contact-Us/contact-us/default.aspx* or via phone at (212) 610-2426. If your stock is held through a broker or bank and you prefer to receive separate copies of the Proxy Statement or Annual Report either now or in the future, please contact such broker or bank.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under the securities laws of the United States, our directors, executive officers and any person holding more than 10% of our Class A common stock are required to file initial forms of ownership of our Class A common stock and reports of changes in that ownership with the SEC. Based solely on our review of the copies of such forms received by us with respect to 2016 and 2017 through the date hereof, the Company believes that all reports were filed on a timely basis with respect to transactions in 2016 and 2017.

CODE OF ETHICS AND WHISTLEBLOWER PROCEDURES

In 2004, we adopted the eSpeed Code of Business Conduct and Ethics, which was renamed the BGC Partners Code of Business Conduct and Ethics upon the consummation of the 2008 merger creating BGC Partners, Inc. (the "Code of Ethics"), a code of ethics that applies to members of our Board of Directors, Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, Controller, other executive officers and our other employees. The Code of Ethics is publicly available on our website at *www.bgcpartners.com/disclaimers/* under the heading "Investor Relations." If we make any substantive amendments to the Code of Ethics or grant any waiver, including any implicit waiver, from a provision of the Code of Ethics to our directors or executive officers, we will disclose the nature of such amendment or waiver on our website or in a Current Report on Form 8-K.

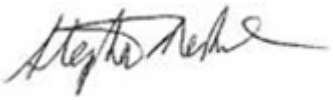
In accordance with the requirements of the Sarbanes-Oxley Act, the Audit Committee has established procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls, or auditing matters, and for the confidential, anonymous reporting of employee concerns regarding questionable accounting or auditing matters. The General Counsel and the Chairman of the Audit Committee will direct the investigation of any such complaints in accordance with the procedures.

MISCELLANEOUS

Our Board of Directors knows of no other business to be presented at the Annual Meeting. If, however, other matters properly do come before the Annual Meeting, it is intended that the proxies in the accompanying form will be voted thereon in accordance with the judgment of the person or persons holding such proxies.

YOU ARE URGED TO CAST YOUR VOTE AS INDICATED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS. PROMPT RESPONSE WILL GREATLY FACILITATE ARRANGEMENTS FOR THE ANNUAL MEETING, AND YOUR COOPERATION WILL BE APPRECIATED.

By Order of the Board of Directors,



STEPHEN M. MERKEL
Secretary

New York, NY
April 24, 2017

ANNEX A

SECOND AMENDED AND RESTATED BGC PARTNERS, INC.
INCENTIVE BONUS COMPENSATION PLAN
(June 6, 2017)

1. *Purpose*. The purpose of this Second Amended and Restated Incentive Bonus Compensation Plan (the "Plan") of BGC Partners, Inc., a Delaware corporation (the "Company"), is (i) to attract, retain and reward key employees of the Company and its subsidiaries by providing them with the opportunity to earn bonus awards that are based upon the achievement of specified performance goals; and (ii) to structure such bonus opportunities in a way that will qualify the awards made as "performance-based" for purposes of Section 162(m) of the Code so that the Company may be entitled to a federal income tax deduction for the payment of such incentive awards to such employees.

The Plan was initially adopted by the Company in 2003 as the "eSpeed, Inc. 2003 Incentive Bonus Compensation Plan." In the first quarter of 2007, the eSpeed, Inc. 2003 Incentive Bonus Compensation Plan was amended and restated, subject to stockholder approval, to increase the maximum annual individual bonus award, beginning with bonus awards for 2007, to $10 million. The eSpeed, Inc. Amended and Restated 2003 Incentive Bonus Compensation Plan was further amended and restated effective as of the closing of the merger between eSpeed, Inc. and BGC Partners, Inc. on April 1, 2008, and at that time was renamed the "BGC Partners, Inc. Amended and Restated Incentive Bonus Compensation Plan." Effective as of November 4, 2008, the BGC Partners, Inc. Amended and Restated Incentive Bonus Compensation Plan was further amended and restated, among other things, to clarify that bonuses payable under the Plan could be paid in the form of awards under the Company's Long Term Incentive Plan and the BGC Holdings, L.P. Participation Plan, as well as cash. In the first quarter of 2011, the Amended and Restated Incentive Bonus Compensation Plan was further amended and restated, subject to stockholder approval, principally to increase the maximum annual individual bonus award, beginning with bonus awards for 2011, to $25 million, and upon stockholder approval on December 14, 2011, was renamed the BGC Partners, Inc. First Amended and Restated Incentive Bonus Compensation Plan. In the first quarter of 2017, the First Amended and Restated Incentive Bonus Compensation Plan was further amended and restated, subject to stockholder approval, in order to approve the material terms of the performance goals under the Plan, beginning with bonus awards for 2017, and upon stockholder approval on June 6, 2017, was renamed the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan.

2. *Definitions*. As used in the Plan, the following terms shall the meanings set forth below:

(a) "Applicable Period" shall mean, with respect to any Performance Period, a period commencing on or before the first day of such Performance Period and ending no later than the earlier of (i) the 90th day of such Performance Period, or (ii) the date on which 25% of such Performance Period has been completed. Any action required under the Plan to be taken within the period specified in the preceding sentence may be taken at a later date if, but only if, the regulations under Section 162(m) of the Code are hereafter amended, or interpreted by the Internal Revenue Service, to permit such later date, in which case the term "Applicable Period" shall be deemed amended accordingly.

(b) "Board" shall mean the Board of Directors of the Company as constituted from time to time.

(c) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(d) "Committee" shall mean the committee of the Board consisting solely of two or more non-employee directors (each of whom is intended to qualify as an "outside director" within the meaning of Section 162(m) of the Code) designated by the Board as the committee responsible for administering and interpreting the Plan.

(e) "Company" shall mean BGC Partners, Inc., a corporation organized under the laws of the State of Delaware, and any successor thereto.

(f) "GAAP" shall mean United States generally accepted accounting principles.

(g) "Individual Award Opportunity" shall mean the performance-based award opportunity for a given Participant for a given Performance Period as specified by the Committee within the Applicable Period, which may be expressed in dollars or on a formula basis that is consistent with the provisions of the Plan.

(h) "Negative Discretion" shall mean the discretion authorized by the Plan to be applied by the Committee to eliminate, or reduce the value of, a bonus award otherwise payable to a Participant for a given Performance Period, provided that the exercise of such discretion would not cause the award to fail to qualify as "performance-based compensation" under Section 162(m) of the Code. By way of example and not by way of limitation, in no event shall any discretionary authority granted to the Committee by the Plan, including, but not limited to, Negative Discretion, be used (i) to provide for an award under the Plan in excess of the value payable based on actual performance versus the applicable performance goals for the Performance Period in question, or in excess of the individual award limit maximum value specified in Section 6(b) below, or (ii) to increase the value otherwise payable to any other Participant.

(i) “Participant” shall mean, for any given Performance Period with respect to which the Plan is in effect, each key employee of the Company (including any subsidiary, operating unit or division) who is designated as a Participant in the Plan for such Performance Period by the Committee pursuant to Section 4 below.

(j) “Performance Period” shall mean any period commencing on or after January 1, 2017 for which performance goals are set under Section 5 and during which performance shall be measured to determine whether such goals have been met for purposes of determining whether a Participant is entitled to payment of a bonus under the Plan. A Performance Period may be coincident with one or more fiscal years of the Company, or a portion thereof.

(k) “Plan” shall mean the BGC Partners, Inc. Second Amended and Restated Incentive Bonus Compensation Plan as set forth in this document, and as further amended from time to time.

3. *Administration*.

(a) *General*. The Plan shall be administered by the Committee. Subject to the terms of the Plan and applicable law and regulation (including, but not limited to, Section 162(m) of the Code), and in addition to any other express powers and authorizations conferred on the Committee by the Plan, the Committee shall have the full power and authority, after taking into account, in its sole and absolute discretion, the recommendations of the Company’s senior management:

(i) to designate (within the Applicable Period) the Participants in the Plan and the Individual Award Opportunities and/or, if applicable, bonus pool award opportunities for such Performance Period;

(ii) to designate (within the Applicable Period) and thereafter administer the performance goals and other award terms and conditions that are to apply under the Plan for such Performance Period;

(iii) to determine and certify the bonus award value earned for any given Performance Period, based on actual performance versus the performance goals for such Performance Period, after making any permitted Negative Discretion adjustments;

(iv) to decide whether, under what circumstances and subject to what terms bonus payouts are to be paid on a deferred basis, including, but not limited to, automatic deferrals at the Committee’s election as well as elective deferrals at the election of Participants, in each case after having considered the applicable requirements of Section 409A of the Code;

(v) to adopt, revise, suspend, waive or repeal, when and as appropriate, in its sole and absolute discretion, such administrative rules, guidelines and procedures for the Plan as it deems necessary or advisable to implement the terms and conditions of the Plan;

(vi) to interpret and administer the terms and provisions of the Plan and any Individual Award Opportunity (including reconciling any inconsistencies, correcting any defaults and addressing any omissions in the Plan or any related instrument or agreement); and

(vii) to otherwise supervise the administration of the Plan.

It is intended that all bonus awards payable to Participants under the Plan who are “covered employees” within the meaning of Treas. Reg. Sec. 1.162-27(c)(2) (as amended from time to time) shall constitute “qualified performance-based compensation” within the meaning of Section 162(m) of the Code and Treas. Reg. Sec. 1.162-27(e) (as amended from time to time), and, to the maximum extent possible, the Plan and the terms of any Individual Award Opportunity shall be so interpreted and construed.

(b) *Binding Nature of Committee Decisions*. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions made under or with respect to the Plan or any Individual Award Opportunity shall be within the sole and absolute discretion of the Committee, and shall be final, conclusive and binding on all persons, including the Company, any Participant, and any beneficiary or other person having, or claiming, any rights under the Plan.

(c) *Other*. No member of the Committee shall be liable for any action or determination (including, but not limited to, any decision not to act) made in good faith with respect to the Plan or any Individual Award Opportunity. If a Committee member intended to qualify as an “outside director” under Section 162(m) of the Code does not in fact so qualify, the mere fact of such non-qualification shall not invalidate any Individual Award Opportunity or other action taken by the Committee under the Plan which otherwise was validly taken under the Plan.

4. *Plan Participation*.

(a) *Participant Designations by the Committee*. For any given Performance Period, the Committee, in its sole and absolute discretion, shall, within the Applicable Period, designate those key employees of the Company (including its subsidiaries, operating units and divisions) who shall be Participants in the Plan for such Performance Period.

(b) *Impact of Plan Participation*. An individual who is a designated Participant for any given Performance Period shall not also participate in the Company's general bonus plans for such Performance Period (to the extent such plans exist), if such participation would cause any Individual Award Opportunity hereunder to fail to qualify as "performance-based" under Section 162(m).

5. *Performance Goals*.

(a) *Setting of Performance Goals*. For a given Performance Period, the Committee shall, within the Applicable Period, set one or more objective target performance goals for each Participant and/or each group of Participants and/or each bonus pool (if any). Such goals shall be based exclusively on one or more of the following corporate-wide or subsidiary, division or operating unit financial and strategic measures:

(1) pre-tax or after-tax net income,

(2) pre-tax or after-tax operating income,

(3) gross revenue,

(4) profit margin,

(5) stock price, dividends and/or total stockholder return,

(6) cash flow(s),

(7) market share,

(8) pre-tax or after-tax earnings per share,

(9) pre-tax or after-tax operating earnings per share,

(10) expenses,

(11) return on equity, or

(12) strategic business criteria, consisting of one or more objectives based on meeting specified revenue, market penetration, or geographic business expansion goals, cost targets, and goals relating to acquisitions or divestitures, or any combination thereof (in each case before or after such objective income and expense allocations or adjustments as the Committee may specify within the Applicable Period). Each such goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on current internal targets, the past performance of the Company (including, but not limited to, the performance of one or more subsidiaries, divisions and/or operating units) and/or the past or current performance of other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital (including, but limited to, the cost of capital), stockholders' equity and/or shares outstanding, or to assets or net assets. In all cases, the performance goals shall be such that they satisfy any applicable requirements under Treas. Reg. Sec. 1.162-27(e)(2) (as amended from time to time) that the achievement of such goals be "substantially uncertain" at the time that they are established, and that the Individual Award Opportunity be defined in such a way that a third party with knowledge of the relevant facts could determine whether and to what extent the performance goal has been met, and, subject to the Committee's right to apply Negative Discretion, the value of the bonus award payable as a result of such performance.

(b) *Impact of Extraordinary Items or Changes in Accounting*. To the extent applicable, the measures used in setting performance goals set under the Plan for any given Performance Period shall be determined in accordance with GAAP in a manner consistent with the methods used in the Company's audited financial statements, without regard to (i) extraordinary items as determined by the Company's independent registered public accounting firm in accordance with GAAP, (ii) changes in accounting, unless, in each case, the Committee decides otherwise within the Applicable Period or (iii) non-recurring acquisition expenses and restructuring charges. Notwithstanding the foregoing, in calculating operating earnings or operating income (including on a per share basis), the Committee may, within the Applicable Period for a given Performance Period, provide that such calculation shall be made on the same basis as reflected in a release of the Company's earnings for a previously completed period as specified by the Committee.

6. *Individual Award Opportunities and Bonus Awards*.

(a) *Setting of Individual Award Opportunities*. At the time that annual performance goals are set for Participants for a given Performance Period (within the Applicable Period), the Committee shall also establish each Individual Award Opportunity for such Performance Period, which shall be based on the achievement of stated target performance goals, and may be stated in dollars or on a formula basis (including, but not limited to, a designated share of a bonus pool or a multiple of annual base salary), provided:

(i) that the designated shares of any bonus pool shall not exceed 100% of such pool; and

(ii) that the Committee, in all cases, shall have the sole and absolute discretion, based on such factors as it deems appropriate, to apply Negative Discretion to reduce (but not increase) the value of the actual bonus awards that would otherwise actually be payable to any Participant on the basis of the achievement of the applicable performance goals.

(b) *Maximum Individual Bonus Award*. Notwithstanding any other provision of this Plan, the maximum value of the bonus award payable under the Plan to any one individual in respect of any one calendar year shall be $25 million.

(c) *Bonus Award Payments*. Subject to the following, bonus awards determined under the Plan in respect of any given Performance Period shall be paid to Participants, in whole or in part, either in cash or in any form of award granted pursuant to the Company's Seventh Amended and Restated Long Term Incentive Plan (the "Equity Plan") or the BGC Holdings L.P. (the "Partnership") Participation Plan, including, but not limited to, bonus stock, other stock-based awards, and bonus units of the Partnership, in each case valued by reference to the Fair Market Value of a share of Stock (as such terms are defined in the Equity Plan) on the date of grant, provided:

(i) that no such payment shall be made unless and until the Committee has certified (in the manner prescribed under applicable regulations) the extent to which the applicable performance goals for such Performance Period have been satisfied, and has made its decisions regarding the extent of any Negative Discretion adjustment of bonus awards (to the extent permitted under the Plan);

(ii) that the Committee may specify that a portion of the actual bonus award for any given Performance Period shall be paid on a deferred basis, based on such award payment rules as the Committee may establish and announce for such Performance Period, after having considered the applicable requirements of Section 409A of the Code;

(iii) that the Committee may require (if established and announced within the Applicable Period), as a condition of bonus eligibility (and subject to such exceptions as the Committee may specify within the Applicable Period) that Participants for such Performance Period must still be employed as of end of such Performance Period and/or as of such later date as determined by the Committee; and

(iv) that the Committee may adopt such forfeiture, pro-ration or other rules as it deems appropriate, in its sole and absolute discretion, regarding the impact on bonus award rights in the event of a Participant's termination of employment.

7. *General Provisions*.

(a) *Plan Amendment or Termination*. The Board may at any time amend or terminate the Plan, provided that (i) without the Participant's written consent, no such amendment or termination shall adversely affect the bonus award rights (if any) of any already designated Participant for a given Performance Period once the Participant designations and performance goals for such Performance Period have been announced, (ii) the Board shall be authorized to make any amendments necessary to comply with applicable regulatory requirements (including, but not limited to, Section 162(m) of the Code), and (iii) the Board shall submit any Plan amendment to the Company's stockholders for their approval if and to the extent such approval is required under Section 162 (m) of the Code, or other applicable laws or regulation. Nothing herein shall be considered as preventing the Committee from making adjustments to the performance goals or to an Individual Award Opportunity to reflect unusual or non-recurring events, to the extent that such adjustment will not adversely affect the bonus award from qualifying as performance-based compensation under Section 162(m) of the Code.

(b) *Applicable Law*. All issues arising under the Plan shall be governed by, and construed in accordance with, the laws of the State of New York, applied without regard to conflict of law principles.

(c) *Tax Withholding*. The Company and its subsidiaries shall have right to make such provisions and take such action as it may deem necessary or appropriate for the withholding of any and all Federal, state and local taxes that the Company or any of its subsidiaries may be required to withhold.

(d) *No Employment Right Conferred*. Participation in the Plan shall not confer on any Participant the right to remain employed by the Company or any of its subsidiaries, and the Company and its subsidiaries specifically reserve the right to terminate any Participant's employment at any time with or without cause or notice.

(e) *Impact of Plan Awards on Other Plans*. Neither the adoption of the Plan nor the submission of the Plan to the Company's stockholders for their approval shall be construed as limiting the power of the Board or the Committee to adopt such other incentive arrangements as it may otherwise deem appropriate.

8. *Plan Term; Stockholder Approval*.

The Plan shall remain effective until terminated by the Board; provided, however, that the continued effectiveness of the Plan shall be subject to the approval of the Company's stockholders at such times and in such manner as may be required pursuant to Section 162 (m) of the Code.

VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Daylight Time the day before the meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS
If you would like to reduce the costs incurred by our Company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Daylight Time the day before the meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors recommends you vote FOR the following:

	For All	Withhold All	For All Except
	☐	☐	☐

To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below. _____

1. Election of Directors
Nominees

01	Howard W. Lutnick	04	William J. Moran
02	John H. Dalton	05	Linda A. Bell
03	Stephen T. Curwood		

The Board of Directors recommends you vote FOR the following proposal:

2. Approval, on an advisory basis, of executive compensation.

For	Against	Abstain
☐	☐	☐

The Board of Directors recommends you vote 3 YEARS on the following proposal:

3. Approval, on an advisory basis, of the frequency of future advisory votes on executive compensation.

1 year	2 years	3 years	Abstain
☐	☐	☐	☐

The Board of Directors recommends you vote FOR the following proposal:

4. Approval of the Second Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan.

For	Against	Abstain
☐	☐	☐

NOTE: The proxy holders may vote in their discretion on such other business as may properly come before the meeting or any adjournment or postponement thereof.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name, by authorized officer.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Notice & Proxy Statement and Annual Report are available at www.proxyvote.com

BGC Partners, Inc.
2017 Annual Meeting of Stockholders – June 6, 2017

The undersigned hereby appoints Howard W. Lutnick and Stephen M. Merkel, and each of them, proxies, with full power of substitution, to appear on behalf of the undersigned and to vote all shares of Class A common stock (par value $0.01 per share) and Class B common stock (par value $0.01 per share) of BGC Partners, Inc. (the "Company") that the undersigned is entitled to vote at the 2017 Annual Meeting of Stockholders of the Company to be held at BGC Partners, Inc., 499 Park Avenue (between 58th and 59th Streets), 3rd Floor, New York, NY 10022, on June 6, 2017, commencing at 10:00 a.m. (local time), and at any adjournment or postponement thereof.

WHEN PROPERLY EXECUTED, THIS PROXY WILL BE VOTED AS DIRECTED, BUT IF NO INSTRUCTIONS ARE SPECIFIED, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF ALL LISTED NOMINEES AS DIRECTORS, "FOR" PROPOSAL 2, FOR "3 YEARS" ON PROPOSAL 3, AND "FOR" PROPOSAL 4.

Continued and to be signed on reverse side