ESPEED INC

FORM S-1/A
(Securities Registration Statement)

Filed 11/16/1999

Address	135 E. 57TH STREET 135 E. 57TH STREET
	NEW YORK, New York 10022
Telephone	212-938-5000
CIK	0001094831
Industry	Consumer Financial Services
Sector	Financial
Fiscal Year	12/31

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 16, 1999

REGISTRATION NO. 333-87475

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

AMENDMENT NO. 2
TO

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

eSPEED, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	7379	13-4063515
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)

ONE WORLD TRADE CENTER, 103RD FLOOR
NEW YORK, NEW YORK 10048
(212) 938-3773
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

STEPHEN M. MERKEL, ESQ.
SENIOR VICE PRESIDENT,
GENERAL COUNSEL AND SECRETARY
eSPEED, INC.
ONE WORLD TRADE CENTER
NEW YORK, NY 10048
(212) 938-4139

(NAME AND ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF AGENT FOR SERVICE)

Copies to:

CHRISTOPHER T. JENSEN, ESQ.
MORGAN, LEWIS & BOCKIUS LLP
101 PARK AVENUE
NEW YORK, NY 10178
(212) 309-6000
FAX: (212) 309-6273

FREDERICK W. KANNER, ESQ.
DEWEY BALLANTINE LLP
1301 AVENUE OF THE AMERICAS
NEW YORK, NY 10019
(212) 259-8000
FAX: (212) 259-6333

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as

practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. / /

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. / /

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the expenses (other than underwriting compensation expected to be incurred) in connection with this offering. All of such amounts (except the SEC registration fee and the NASD filing fee) are estimated.

SEC registration fee	$ 70,334
Nasdaq listing fee	95,000
NASD filing fee	25,800
Blue Sky fees and expenses	10,000
Printing and engraving costs	225,000
Legal fees and expenses	1,500,000
Accounting fees and expenses	400,000
Transfer Agent and Registrar fees and expenses	3,500
Miscellaneous	120,366
Total	$2,450,000

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Our By-Laws provide that we shall, to the fullest extent permitted by Section 145 of the General Corporation Law of the State of Delaware (the "DGCL"), as amended from time to time, indemnify all persons whom it may indemnify pursuant thereto.

Section 145 of the DGCL permits a corporation, under specified circumstances, to indemnify its directors, officers, employees or agents against expenses (including attorneys' fees), judgments, fines and amounts paid in settlements actually and reasonably incurred by them in connection with any action, suit or proceeding brought by third parties by reason of the fact that they were or are directors, officers, employees or agents of the corporation, if such directors, officers, employees or agents acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reason to believe their conduct was unlawful. In a derivative action, i.e., one by or in the right of the corporation, indemnification may be made only for expenses actually and reasonably incurred by directors, officers, employees or agents in connection with the defense or settlement of an action or suit, and only with respect to a matter as to which they shall have acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made if such person shall have been adjudged liable to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine upon application that the defendant directors, officers, employees or agents are fairly and reasonably entitled to indemnity for such expenses despite such adjudication of liability.

Our Amended and Restated Certificate of Incorporation provides that our directors will not be personally liable to us or our stockholders for monetary damages resulting from breaches of their fiduciary duty as directors except (a) for any breach of the duty of loyalty to us or our stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the DGCL, which makes directors liable for unlawful dividends or unlawful stock repurchases or redemptions, or (d) for transactions from which directors derive improper personal benefit.

The Underwriting Agreement, filed as Exhibit 1, provides that the Underwriters named therein will indemnify us and hold us harmless and each of our directors, officers or controlling persons from and against certain liabilities, including liabilities under the Securities Act. The Underwriting Agreement also provides that such Underwriters will contribute to certain liabilities of such persons under the Securities Act.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

On September 7, 1999, we issued 100 shares of common stock to Cantor Fitzgerald Securities for an aggregate purchase price of $200,000.

The sale of the above securities was deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act, or Regulation D promulgated thereunder, as a transaction by an issuer not involving a public offering.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits

EXHIBIT NUMBER		DESCRIPTION
1	--	Form of Underwriting Agreement*
2.1	--	Form of Assignment and Assumption Agreement, dated as of , 1999, by and among Cantor Fitzgerald, L.P., Cantor Fitzgerald Securities, Cantor Fitzgerald & Co. and eSpeed, Inc.
2.2	--	Form of Assignment and Assumption Agreement, dated as of , 1999 by and between Cantor Fitzgerald International and eSpeed Securities International Limited*
3.1	--	Amended and Restated Certificate of Incorporation of eSpeed, Inc.
3.2	--	Amended and Restated By-Laws of eSpeed, Inc.**
4	--	Specimen Common Stock Certificate.**
5	--	Opinion of Morgan, Lewis & Bockius LLP*
10.1	--	Long-Term Incentive Plan of eSpeed, Inc.*
10.2	--	eSpeed, Inc. Stock Purchase Plan
10.3	--	Form of Joint Services Agreement, dated as of , 1999, by and among Cantor Fitzgerald, L.P., Cantor Fitzgerald International, Cantor Fitzgerald Gilts, Cantor Fitzgerald Securities, Cantor Fitzgerald & Co., Cantor Fitzgerald Partners, eSpeed, Inc., eSpeed Securities, Inc., eSpeed Government Securities, Inc., eSpeed International Securities Limited and eSpeed Markets, Inc.
10.4	--	Form of Administrative Services Agreement, dated as of , 1999, by and among Cantor Fitzgerald, L.P., Cantor Fitzgerald International, Cantor Fitzgerald Gilts, Cantor Fitzgerald Securities, Cantor Fitzgerald & Co., Cantor Fitzgerald Partners, eSpeed, Inc., eSpeed Securities, Inc., eSpeed Government Securities, Inc., eSpeed International Securities Limited and eSpeed Markets, Inc.
10.5	--	Form of Registration Rights Agreement
10.6	--	Form of Sublease Agreement, dated as of , 1999, among Cantor Fitzgerald, L.P., eSpeed, Inc. and the Port Authority of New York*
21	--	List of subsidiaries of eSpeed, Inc.**
23.1	--	Consent of Deloitte & Touche LLP**
23.2	--	Consent of Morgan, Lewis & Bockius LLP (contained in Exhibit 5)*
23.3	--	Consent of Richard C. Breeden**
23.4	--	Consent of Larry R. Carter**
23.5	--	Consent of Douglas B. Gardner**
23.6	--	Consent of Frederick T. Varacchi**
24	--	Powers of Attorney (included on signature page)
27	--	Financial Data Schedule**

* To be filed by amendment. ** Previously Filed

(b) Financial Statement Schedules

The financial statement schedules are omitted because they are inapplicable or the requested information is shown in the consolidated financial statements of eSpeed, Inc. or related notes thereto.

ITEM 17. UNDERTAKINGS.

The undesigned registrant hereby undertakes as follows:

(1) The undersigned will provide to the underwriters at the closing specified in the Underwriting Agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(2) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance on Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it is declared effective.

(3) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to the initial bona fide offering thereof.

Insofar as indemnification arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 14 or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THE REGISTRANT HAS DULY CAUSED THIS AMENDMENT NO. 2 TO REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE CITY OF NEW YORK, THE STATE OF NEW YORK, ON THE 16TH DAY OF NOVEMBER, 1999.

eSpeed, Inc.

By: /s/ HOWARD W. LUTNICK
Name: Howard W. Lutnick
Title: Chairman of the Board and Chief Executive Officer

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS AMENDMENT NO. 2 TO REGISTRATION STATEMENT HAS BEEN SIGNED BY THE FOLLOWING PERSONS IN THE CAPACITIES AND ON THE DATE INDICATED.

SIGNATURE	TITLE	DATE
* Howard W. Lutnick	Chairman of the Board and Chief Executive Officer	November 16, 1999
* Frederick T. Varacchi	President and Chief Operating Officer	November 16, 1999
/s/ DOUGLAS B. GARDNER Douglas B. Gardner	Vice Chairman	November 16, 1999
* Kevin C. Piccoli	Senior Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	November 16, 1999
* Stephen M. Merkel	Senior Vice President, General Counsel and Secretary	November 16, 1999

*By /s/ DOUGLAS B. GARDNER
Douglas B. Gardner, as
Attorney-in-Fact pursuant to the
Power of Attorney previously provided as
part of the Registration Statement.

EXHIBIT INDEX

EXHIBIT NUMBER		DESCRIPTION
1	--	Form of Underwriting Agreement*
2.1	--	Form of Assignment and Assumption Agreement, dated as of , 1999, by and among Cantor Fitzgerald, L.P., Cantor Fitzgerald Securities, Cantor Fitzgerald & Co. and eSpeed, Inc.
2.2	--	Form of Assignment and Assumption Agreement, dated as of , 1999 by and between Cantor Fitzgerald International and eSpeed Securities International Limited*
3.1	--	Amended and Restated Certificate of Incorporation of eSpeed, Inc.
3.2	--	Amended and Restated By-Laws of eSpeed, Inc.**
4	--	Specimen Common Stock Certificate.**
5	--	Opinion of Morgan, Lewis & Bockius LLP*
10.1	--	Long-Term Incentive Plan of eSpeed, Inc.*
10.2	--	eSpeed, Inc. Stock Purchase Plan
10.3	--	Form of Joint Services Agreement, dated as of , 1999, by and among Cantor Fitzgerald, L.P., Cantor Fitzgerald International, Cantor Fitzgerald Gilts, Cantor Fitzgerald Securities, Cantor Fitzgerald & Co., Cantor Fitzgerald Partners, eSpeed, Inc., eSpeed Securities, Inc., eSpeed Government Securities, Inc., eSpeed International Securities Limited and eSpeed Markets, Inc.
10.4	--	Form of Administrative Services Agreement, dated as of , 1999, by and among Cantor Fitzgerald, L.P., Cantor Fitzgerald International, Cantor Fitzgerald Gilts, Cantor Fitzgerald Securities, Cantor Fitzgerald & Co., Cantor Fitzgerald Partners, eSpeed, Inc., eSpeed Securities, Inc., eSpeed Government Securities, Inc., eSpeed International Securities Limited and eSpeed Markets, Inc.
10.5	--	Form of Registration Rights Agreement
10.6	--	Form of Sublease Agreement, dated as of , 1999, among Cantor Fitzgerald, L.P., eSpeed, Inc. and the Port Authority of New York*
21	--	List of subsidiaries of eSpeed, Inc.**
23.1	--	Consent of Deloitte & Touche LLP**
23.2	--	Consent of Morgan, Lewis & Bockius LLP (contained in Exhibit 5)*
23.3	--	Consent of Richard C. Breeden**
23.4	--	Consent of Larry R. Carter**
23.5	--	Consent of Douglas B. Gardner**
23.6	--	Consent of Frederick T. Varacchi**
24	--	Powers of Attorney (included on signature page)
27	--	Financial Data Schedule**

* To be filed by amendment ** Previously Filed

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS AGREEMENT is made and entered into as of _____ __, 1999, among Cantor Fitzgerald, L.P., a Delaware limited partnership ("CFLP"), Cantor Fitzgerald Securities, a New York general partnership ("CFS"), CFFE, LLC, a Delaware limited liability company ("CFFE"), and Cantor Fitzgerald & Co., a New York general partnership ("CF&Co" and, together with CFLP, CFS and CFFE, the "Assignors"), and eSpeed, Inc., a Delaware corporation ("Assignee").

W I T N E S S E T H:

WHEREAS, Assignee is a recently-formed company that has been organized to engage in the business of operating interactive electronic marketplaces in accordance with the (i) Joint Services Agreement (as hereinafter defined) and (ii) Administrative Services Agreement (as hereinafter defined) (the "Business"), initially to be used principally by financial and wholesale market participants to trade in fixed income securities, futures, options and other financial instruments and including the eSpeed system described in the prospectus attached hereto (the "Prospectus") relating to Assignee's initial public offering.

WHEREAS, each of the Assignors owns or has the right to use, among other things, certain hardware, software, technologies, systems and other intellectual property and agreements that are principally used in the Business.

WHEREAS, Assignee desires to acquire such assets from the Assignors in exchange for the issuance to each Assignor of the number of shares of Class B Common Stock, par value $.01, of Assignee (the "Class B Shares") set out opposite the name of such Assignor on Schedule 1.04 hereto, being [ ] Class B Shares in the aggregate for all of the Assignors (the "Consideration").

WHEREAS, each Assignor has determined that its share of the Consideration represents valuable and fair consideration for the transfer of its portion of such assets to Assignee and has determined that it is in its best interest to transfer its portion of such assets to Assignee in return for the Consideration.

NOW THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements contained herein, and upon the terms and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I

TERMS OF ASSIGNMENT

1.01. Assignment. On the terms and subject to the conditions in this Agreement and for the Consideration specified herein, at the Closing (as hereinafter defined), the Assignors shall sell, transfer, convey, assign and deliver to Assignee, and Assignee shall purchase, acquire and accept from the Assignors, free and clear of all mortgages, pledges, assessments, security interests, conditional sale or title retention contracts, leases, liens, adverse claims, Taxes (as hereinafter defined), levies, charges, options, rights of first refusal, transfer restrictions or other encumbrances of any nature, or any contracts, agreements or understandings to grant any of the foregoing (collectively, "Liens"), all of the Assignors' right, title and interest in, to and under the following assets and rights, including, but not limited to, the assets and rights identified on Schedule 1.01, in each case to the extent used or held for use principally in the Business, but excluding the Excluded Assets (as hereinafter defined) (the "Assignment"):

(a) all machinery, equipment, computers, network servers, monitors, servers and other related items of tangible personal property of the Assignors, principally used in the Business (the "Equipment");

(b) all fictional business names, trade names, d/b/a names, logos, Internet domain names (including, without limitation, www.eSpeed.com), trademarks, service marks (including, without limitation, eSpeed(Service Mark)), trade dress and any and all federal, state, local and foreign applications, registrations and renewals therefor, and all the goodwill associated therewith principally used in the Business (collectively, "Marks"); all copyrights in both published works and unpublished works, and in online works such as Internet web sites, and any federal or foreign applications, registrations and renewals therefor principally used in the Business (collectively, "Copyrights"); all rights in any and all licensed or proprietary computer software, firmware, middleware, programs, applications, databases and files (in whatever form or medium), including all material documentation, relating thereto, and all source and object codes relating thereto principally used in the Business (collectively, "Computer Software and Files"); all know-how, trade secrets, confidential information, competitively sensitive and proprietary information (including but not limited to internal pricing information, supplier information, telephone and telefax numbers, and e-mail addresses), technical information, data, process technology, drawings and blue prints principally used in the Business, other than the Information (as hereinafter defined) (collectively, "Trade Secrets"); and the right to sue for past infringement, if any, in connection with any of the foregoing (collectively, the "Intellectual Property");

(c) all agreements and arrangements permitting any Assignor to use intellectual property, equipment and computer equipment owned by third parties, or permitting third party use of intellectual property, equipment or computer equipment owned by any Assignor, or for the processing, use, licensing, leasing, storage, or retrieval of software, data and information

principally used by, and related to, the Business (collectively, "Intellectual Property, Equipment and Computer Agreements");

(d) any and all accounting business information, management information and internal reporting data and related books and records (in whatever form or medium maintained), including but not limited to advertising, marketing and sales programs, business, marketing and strategic plans, research and development reports and records, and advertising copy (including radio and television scripts), creative materials, production agreements, and all other promotional brochures, flyers, inserts and other materials used principally in connection with the Business (collectively, the "Marketing Materials");

(e) all computer tapes, discs and other media which are used to store Intellectual Property (the "Computer Equipment");

(f) all agreements, contracts, instruments and other documents to which any Assignor is a party that are listed in Schedule 2.07 (the "Assigned Contracts");

(g) all claims of any Assignor against third parties relating to the Assets (as hereinafter defined), whether choate or inchoate, known or unknown or contingent or non-contingent; and

(h) to the extent transferable, any and all Permits (as hereinafter defined) used exclusively in connection with the Business;

all as the same shall exist on the Closing Date (items (a) through (h) being, collectively, the "Assets").

1.02. Excluded Assets. Notwithstanding anything in this Agreement to the contrary, all assets, properties and rights of the Assignors other than those set forth in Section 1.01 (including Schedule 1.01), including without limitation, the following assets, properties and rights of the Assignors (the "Excluded Assets"), shall be excluded from and shall not constitute part of the Assets, and Assignee shall have no rights, title or interest in or duties or obligations of any nature whatsoever with respect thereto by virtue of the consummation of the transactions contemplated by this Agreement:

(a) all contracts and other agreements to which any Assignor is a party, other than those described in Section 1.01 above (the "Excluded Contracts");

(b) all rights of the Assignors in and to the trademarks, service marks, and any applications, registrations and renewals therefor, and all the goodwill associated therewith, licensed by any Assignor and (x) which are subject to the Mutual Confidentiality Agreement ("Mutual Confidentiality Agreement"), dated March 19, 1993, between CFLP and Market Data

Corporation ("MDC") or (y) which are listed (by country and trademark) on Schedule 1.02(b) hereto (collectively, the "Excluded Marks");

(c) all rights of the Assignors in, to or under, as applicable, the (x) MDC Mortgage-Backed Securities Broker System, MDC Odd Lots Broker System, MDC Options System, MDC OTR Broker System and MDC Buyside Terminal System (collectively, the "MDC Broker System"), including all documentation relating thereto and all source and object codes relating thereto and (y) Mutual Confidentiality Agreement (together, the "Excluded Software");

(d) any and all Confidential Information as defined in the Mutual Confidentiality Agreement;

(e) all rights of the Assignors in the Internet domain name "cantor.com" and in and to the Internet web site accessed via such domain name, including, but not limited to, all copyrights in all materials on such site and the software underlying such site, all trademarks, service marks, trade names and goodwill associated therewith, all proprietary computer software, programs, applications, databases, files (in whatever form or medium) and all proprietary information related thereto, in each case only to the extent that the foregoing is not otherwise required to be listed in Schedule 2.08(a) hereto;

(f) all rights of the Assignors in, to and under the Data Purchase Agreement, Data Product Agency and Electronic Trading System Agreement, dated January 22, 1993, among CFLP, Reuters Limited ("Reuters") and MDC, as amended, and all other agreements between CFLP, Reuters and/or MDC or related thereto, as set forth in Schedule 1.02(f) hereto (the "Reuters Agreement");

(g) all rights of the Assignors with respect to the (x) Agreement, dated February 23, 1990, between Telerate, Inc. ("Telerate") and CFS, as amended, and (y) Master Optional Services Agreement, dated February 23, 1990, between Telerate and MDC, as amended, and all other agreements between the Assignors, Telerate and/or MDC or related thereto, as set forth in Schedule 1.02(g) hereto (the "Telerate Agreement");

(h) all right, title and interest with respect to information relating to bids, offers or trades or any other information on Financial Products (as defined in the Joint Services Agreement (as hereinafter defined)) created or received by Assignors or any of their affiliates in a brokerage capacity, including, but not limited to, information licensed, sold, transferred or permitted to be published or displayed by Assignors pursuant to the Reuters Agreement and the Telerate Agreement (the "Information");

(i) all advertising, marketing and sales programs, advertising copy (including radio and television scripts), creative materials, production agreements, broadcasting rights, broadcasting and advertising time, space, allowances and credits and other promotional

brochures, flyers, inserts and other materials used solely in connection with an Excluded Contract;

(j) Fraser et. al. U.S. Patent 5,905,974, entitled "Automated Auction Protocol Processor" (the "Fraser Patent") and all filed patent applications;

(k) any assets, properties, rights and interests relating to the Excluded Liabilities (as hereinafter defined); and

(l) all rights of the Assignors under this Agreement and the documents and instruments delivered to the Assignors pursuant to this Agreement.

Each Assignor shall bear and pay all of the costs and expenses of the assignment of its portion of the Assets, except for sales, transfer or other similar taxes, which shall be borne and paid by Assignee.

1.03. Assumption of Liabilities. Effective as of the Closing Date, Assignee will assume and agree to pay, perform and discharge, as and when due, and indemnify and hold each Assignor harmless from and against, (x) each liability listed in Schedule 1.03, (y) each obligation of each Assignor to be performed after the Closing Date with respect to the Assets and the Assigned Contracts and (z) each other liability of each Assignor thereunder (including liabilities for any breach of a representation, warranty or covenant, or for any claims for indemnification contained therein), to the extent and only to the extent that such liability is due to the actions of Assignee (or any of Assignee's affiliates, representatives or agents) after the Closing Date (collectively, the "Assumed Liabilities"). Assignee shall not assume, and shall not be obligated to pay, perform or discharge, any liability or obligation of any Assignor other than the Assumed Liabilities (whether or not related to the Assets or Business) (collectively, the "Excluded Liabilities"), and shall not be obligated for any other claim, loss or liability relating to any act, omission or breach by any Assignor with respect to the Business, the Assets or the Assigned Contracts, or for any claim, loss or liability related to the Excluded Assets or the Excluded Liabilities, all of which, the Assignors shall remain obligated to pay, perform and discharge and to indemnify and hold Assignee harmless against. Without limiting the foregoing, among other things, all liabilities arising from the matters described in the Prospectus under the caption "Legal Proceedings", shall be Excluded Liabilities except to the extent expressly assumed as provided on Schedule 1.03.

1.04. Consideration. In consideration of the Assignment, in addition to the assumption of the Assumed Liabilities as provided in Section 1.03, Assignee shall issue to each Assignor the number of Class B Shares set out opposite the name of such Assignor on Schedule 1.04 hereto, being [_____] Class B Shares in the aggregate for all of the Assignors.

1.05. The Closing.

(a) Date and Place. The closing of the transactions contemplated hereby (the "Closing") shall take place at the New York offices of the Assignors, on the 105th Floor of One World Trade Center, New York, New York 10048, on the date the Assignors so elect, which date shall be no later than the fourth business day following the date that all of the conditions to Closing provided in Articles VI and VII hereof shall have been satisfied, or at such other time and/or place and/or on such other date as the parties may mutually agree (the "Closing Date").

(b) Documents to be Delivered by the Assignors. To the extent applicable, at the Closing, each Assignor deliver to Assignee;

(i) a duly executed counterpart to the Joint Services Agreement (the "Joint Services Agreement") substantially in the form of Exhibit A hereto;

(ii) a duly executed counterpart of the Administrative Services Agreement (the "Administrative Services Agreement") substantially in the form of Exhibit B hereto;

(iii) a duly executed counterpart of the General Assignment, Assumption and Bill of Sale (the "Bill of Sale") substantially in the form of Exhibit C hereto;

(iv) a duly executed counterpart of the Registration Rights Agreement (the "Registration Rights Agreement") substantially in the form of Exhibit D hereto;

(v) a duly executed counterpart of the Sublease Agreement substantially in the form of Exhibit E hereto (the "Sublease Agreement" and, together with the Joint Services Agreement, the Administrative Services Agreement, the Bill of Sale and the Registration Rights Agreement, the "Additional Agreements"); and

(vi) such other duly executed documents or instruments to effect the transfer of the Assets and the other transactions contemplated hereby, and in such form, as Assignee may reasonably request.

(c) Documents to be Delivered by Assignee. At the Closing, Assignee shall execute and deliver to the Assignors:

(i) a duly executed counterpart of the Joint Services Agreement;

(ii) a duly executed counterpart of the Administrative Services Agreement;

(iii) a duly executed counterpart of the Bill of Sale for the Assets transferred by such Assignor;

(iv) a duly executed counterpart of the Registration Rights Agreement;

(v) a duly executed counterpart of the Sublease Agreement; and

(vi) such other duly executed documents or instruments to effect the transfer of the Assets, the assumption of the Assumed Liabilities and the other transactions contemplated hereby, and in such form, as any Assignor may reasonably request.

1.06. Section 351 Transaction. Each party hereto acknowledges and agrees that the assignment of the Assets is intended to be treated for federal income tax purposes and relevant state and local tax purposes as an element of a tax-free transaction described in Section 351 of the Internal Revenue Code. No party hereto shall take, or cause or permit to be taken, any position that is inconsistent with such treatment in any tax return or filing or in any tax proceeding.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE ASSIGNORS

Each Assignor jointly and severally represents and warrants to Assignee as follows, except as otherwise disclosed in the disclosure schedules to this Agreement (the "Disclosure Schedules"), which Disclosure Schedules specifically reference the particular Sections hereof to which they relate:

2.01. Organization and Good Standing. Each Assignor is duly organized, validly existing and in good standing under the laws of the state of its organization and is duly qualified to do business and, except as would not singly or is the aggregate have a Material Adverse Effect, is in good standing in each jurisdiction in which the ownership, use or leasing of its assets or the conduct or nature of its business makes such qualification necessary. "Material Adverse Effect" means any event, change, changes, effect or effects that individually or in the aggregate are materially adverse to (x) the ownership, use, operation or value of the Assets, (y) the condition (financial or other) or results of operations of, or prospects for, the Business or (z) the ability to consummate the transactions contemplated by this Agreement, the Joint Services Agreement or the Administrative Services Agreement.

2.02. Authority. Each Assignor has the requisite corporate power and authority to execute and deliver this Agreement and the Additional Agreements to which it is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by each Assignor of this Agreement and the Additional Agreements to which it is a party and the consummation by each Assignor of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate, stockholder, member or partner action, and no other corporate, partner or

member proceedings on the part of any Assignor or any affiliate of any Assignor, respectively, are necessary to authorize the execution and delivery by an Assignor of this Agreement or the Additional Agreements to which that Assignor is a party or to consummate the transactions contemplated hereby and thereby. This Agreement has been, and at the Closing the Additional Agreements to which each Assignor is a party will be, duly executed and delivered by each Assignor that is a party thereto and constitutes or will constitute, as applicable, legal, valid and binding obligations of each Assignor enforceable against such Assignor in accordance with their respective terms.

2.03. No Conflict; Required Filings and Consents.

(a) The execution, delivery and performance by each Assignor of this Agreement and the Additional Agreements to which it is a party do not, and the consummation of the transactions contemplated hereby and thereby will not, (i) conflict with or violate the partnership agreement, Certificate of Limited Liability Company, limited liability company operating agreement, By-Laws or similar organizational or governing document of any Assignor or any affiliate thereof, as the case may be; (ii) conflict with or violate any federal, state, local or foreign laws, rules, statutes, ordinances, regulations, judgments, settlement agreements, orders or decrees or arbitration proceedings or pronouncements (collectively "Laws") applicable to any Assignor or any affiliate thereof, the Business or the Assets or by which any Assignor or any affiliate thereof, the Business or the Assets are bound or affected; or (iii) result in any material breach of or constitute a material default (or an event that with notice or lapse of time or both would become a material default) under, or give to any other person any right of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any of the Assets pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which any Assignor or any affiliate thereof is a party or by which any Assignor or any affiliate thereof, the Business or the Assets are bound or affected.

(b) The execution, delivery and performance by each Assignor of this Agreement and the Additional Agreements to which it is a party do not and the consummation of the transactions contemplated hereby and thereby do not require any Assignors or any of its affiliates to seek, obtain or receive any consent, approval, authorization or permit from, or make any filing with or notification to, any governmental agency, authority or court or any other person, body or committee, except for any consents, approvals, any authorizations or permits as have been obtained or filings or notifications as has been made or as would not singly or in the aggregate, if not obtained or made, have a Material Adverse Effect.

2.04. Permits; Compliance with the Law. Each Assignor is in possession of all franchises, grants, authorizations, licenses, permits, easements, variances, exemptions, consents, certificates, approvals and orders necessary for it to own and use the Assets as presently owned and used and to carry on the Business as it is now being conducted (the "Permits"), except for those Permits the failure of which to obtain or maintain would not result in a Material Adverse

Effect, and no suspension, revocation, cancellation or refusal to review any of the Permits has occurred, or to the knowledge of any Assignor, is threatened or anticipated. Each of the Permits is listed on Schedule 2.04. Each Assignor has conducted and is conducting the Business, and has owned, used and operated and owns, uses and operates the Assets in compliance with, and not in violation of,
(i) any Law applicable to it or by which it, the Business or the Assets is bound or affected or (ii) any of the Permits (except in either case for any such violations as, singly or in the aggregate, would not have a Material Adverse Effect).

2.05. Title to Assets. Each Assignor owns, free and clear of any Liens, and has the full right to sell, assign and convey, all of the Assets, and at the Closing will convey the Assets to Assignee (or its designee), free and clear of any Liens.

2.06. Absence of Litigation. Except as would not singly or in the aggregate have a Material Adverse Effect or is disclosed in the Prospectus there is no pending or threatened, nor has there been at any time during the twelve months preceding the date hereof any, claim, complaint, action, suit, litigation, proceeding or arbitration or, to each Assignor's knowledge, any inquiry or investigation of any kind by any state attorney general, consumer protection agency or other governmental or self-regulatory agency, or any other person or entity which seeks to enjoin, delay or restrict any of the transactions contemplated by this Agreement, the Additional Agreements or which involves the Business or any of the Assets. Except as would not singly or in the aggregate have a Material Adverse Effect, none of the Assignors nor any affiliate of the Assignors are subject to any judgment, order, writ, injunction, decree or award which relates to any of the Assets or to the Business.

2.07. Contracts; No Default; Etc. Schedule 2.07 of the Disclosure Schedule lists each Assigned Contract. Correct and complete copies of each Assigned Contract, together with all amendments, supplements and other instruments (including side letters) thereto effecting a modification or waiver of the terms thereof, have been delivered to Assignee. Each Assigned Contract is valid, subsisting and, to each Assignor's knowledge, enforceable in accordance with its terms, save only that such enforceability may be affected by bankruptcy, insolvency, fraudulent conveyance, moratorium and similar laws affecting the rights of creditors generally and by general principles of equity (whether considered in a proceeding at law or in equity). Each such Assigned Contract is in full force and effect, no written notice of termination or non-renewal of any Assigned Contract has been given to any Assignor or, to the knowledge of any Assignor, is anticipated, and there is no material default (or any event known to any Assignor which, with the giving of notice or lapse of time or both, would constitute a material default) by any Assignor or, to the knowledge of any Assignor, by any other party to any such Assigned Contract, in the due timely payment or performance of any obligation to be performed or paid under any Assigned Contract.

2.08. Intellectual Property and Computer Assets.

(a) Except as would not singly or in the aggregate have a Material Adverse Effect, each Assignor owns all right, title and interest in, or has valid and subsisting license rights sufficient to use and to continue to use, all Intellectual Property principally used in the conduct of the Business as currently conducted by each Assignor, all items of which Intellectual Property (other than the intellectual property included in the Excluded Assets), are disclosed in Schedule 2.08(a). All Intellectual Property necessary for the conduct of the Business as described in the Prospectus (other than the intellectual property included in the Excluded Assets) is being transferred or licensed to Assignee hereunder. Except as would not singly or in the aggregate have a Material Adverse Effect, all Intellectual Property disclosed in Schedule 2.08(a) is free and clear of any and all Liens.

(b) Schedule 2.08(a) also lists all of each Assignor's United States and foreign registrations and applications issued by, filed with or recorded by any governmental regulatory authority with respect to the Intellectual Property listed in Schedule 2.08(a). Except as singly or in the aggregate would not have a Material Adverse Effect, all of such registrations and applications are valid and in full force and effect and all necessary actions to maintain the registrations or applications for registration of such Intellectual Property have been taken or instructions have been given that such actions be taken, and such actions will be taken as of the date of this Agreement.

(c) Except as singly or in the aggregate would not have a Material Adverse Effect, all Computer Software and Files and Computer Equipment, to each Assignor's knowledge, are "Year 2000 Compliant." For purposes of this Agreement, "Year 2000 Compliant" means that the Computer Software and Files and Computer Equipment will (A) consistently and accurately process date and time information and data with values before, during and after January 1, 2000, including but not limited to, accepting date input, providing date output, and performing calculations on dates; and (B) function accurately and in accordance with its specifications without an adverse change in performance resulting from processing time data with values before, during and after January 1, 2000.

2.09. Taxes. Each Assignor has duly and timely filed all returns, reports or statements (including information statements) ("Tax Returns") required to have been filed with respect to all federal, state, local or foreign net or gross income, gross receipts, net proceeds, sales, use, ad valorem, transfer, value added, franchise, bank shares, withholding, payroll, employment, disability, excise, property, alternative or add-on minimum, environmental or other taxes, assessments, duties, fees, levies or other governmental charges of any nature whatsoever, together with any interest, penalties, additions to tax or additional amounts with respect thereto ("Taxes"); each such Tax Return correctly and completely reflects the income, franchise or other Tax liability and all other information required to be reported thereon; and all Taxes due and payable by each Assignor, whether or not shown on any Tax Return, have been paid, other than those that are the subject of a bona fide dispute and are being contested by an Assignor in

appropriate proceedings. Notwithstanding anything to the contrary herein, the representations and warrants in this Section 2.09 are limited to matters that
(i) include, relate to or otherwise affect the Business or the Assets, (ii) could result in the imposition of a Lien on, or the assertion of a claim against, the Assignee, the Business or the Assets or (iii) could affect the tax position of Assignee with respect to the Business or the Assets after the Closing Date.

2.10. Undisclosed Liabilities. Except as singly or in the aggregate would not have a Material Adverse Effect, there are no claims, losses, obligations or liabilities of, relating to or affecting the Assignors or any of the Assets.

2.11. Investment Representation. Each Assignor represents, warrants and agrees that it is acquiring the Class B Shares for its own account and not with a view to the resale or distribution thereof or any interest therein, except in compliance with the registration requirements of applicable securities laws or pursuant to an exemption therefrom. Any certificates evidencing the Class B Shares may contain a legend, in customary form, to such effect.

2.12. Entire Business. The Assets, together with the services to be provided by one or more of the Assignors pursuant to the (i) Administrative Services Agreement and (ii) Joint Services Agreement, constitute all the assets, properties and rights necessary for Assignee to conduct the Business in all material respects as described in the Prospectus.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF ASSIGNEE

Assignee hereby represents and warrants to the Assignors as follows:

3.01. Organization and Good Standing. Assignee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Assignee has the requisite power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

3.02. Authority; Binding Effect. Assignee has taken all necessary corporate actions to authorize, execute and deliver this Agreement and to perform all of its obligations under, and to consummate the transactions contemplated by, this Agreement. This Agreement has been duly and validly executed by Assignee. This Agreement constitutes the valid and binding obligation of Assignee, enforceable against Assignee in accordance with its terms, subject to the effect of reorganization, bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally and court decisions with respect thereto, and subject to the application of equitable principles and the discretion of the court (regardless of whether the enforceability is considered in a proceeding in equity or at law).

ARTICLE IV

COVENANTS

4.01. Assignment of Contracts. Each Assignor will give any notices to third parties, and will use its reasonable best efforts to obtain any third party consents, that Assignee may request in connection with the transaction contemplated by this Agreement, including, but not limited to, those consents listed on Schedule 4.01. Each party to this Agreement will give notices to, make any filings with, and use its reasonable best efforts to obtain any authorizations, consents, and approvals of governments and governmental agencies in connection with, the transactions contemplated by this Agreement.

4.02. Further Assurances. Each party hereto shall execute, deliver, file and record, or cause to be executed, delivered, filed and recorded, such further agreements, instruments and other documents and take, or cause to be taken, such further actions, as the other party may reasonably request as being necessary or advisable to effect or evidence the transactions contemplated by this Agreement.

4.03. Termination of Non-Exclusive Patent License. CFLP and CFPH, L.L.C., a Delaware limited liability company ("CFPH"), shall terminate and cause its affiliates to terminate before the Closing Date Section 4 of a certain Assignment and License of Patent Rights, effective as of June 16, 1999, among CFLP, CFS and CFPH, whereby CFLP and CFPH granted a non-exclusive, worldwide, non-transferable license to CFS for "CFS Patents" as that term is defined therein.

4.04. Compliance with Laws. Each party hereto agrees to comply with all applicable Laws relating to the conduct of its business(es).

ARTICLE V

INDEMNIFICATION

5.01. Assignors' Indemnification Obligations. Subject to the terms and conditions of this Article V, each Assignor agrees, jointly and severally, to defend, indemnify and hold Assignee, its affiliates and assigns, and its respective officers, directors, agents, attorneys, employees and representatives harmless from and against any and all liabilities, losses, costs, damages, expenses, penalties, deficiencies, fines and Taxes, including, without limitation, reasonable legal and other expenses (collectively, "Damages"), directly or indirectly arising out of, resulting from or relating to:

(a) any breach of any representation, warranty, covenant, agreement or obligation of any Assignor contained in this Agreement;

(b) any Excluded Liability;

(c) the conduct of the Business, and the ownership, use and operation of the Assets, on or prior to the Closing Date;

(d) the use, operation or ownership of the Excluded Assets prior to or after the Closing including, without limitation, the Excluded Software; and

(e) (i) any contractual claim by any employee of any Assignor not hired by Assignee with respect to his or her employment by any Assignor before or after the Closing, including any group insurance claims, workers' compensation claims or liabilities arising out of any accident, illness or other event occurring before or after the Closing and other claims with respect to pension, retirement and/or welfare benefits as they relate to such employee's services for any Assignor, and (ii) any contractual claims by any employee of any Assignor prior to the Closing and arising out of the consummation of the transactions contemplated by this Agreement.

(f) any claim for any breach by any Assignor of any covenant or obligation contained in the Agreement of Limited Partnership of Cantor Fitzgerald, L.P., as amended;

(g) any claim for any breach by any Assignor of any covenant or obligation contained in the (i) Cantor Fitzgerald Securities General Partnership Agreement, entered into September 25, 1992, by and between CFLP and Cantor Fitzgerald Incorporated, and (ii) Agreement to Admit CF Group Management, Inc. as a New Partner of Cantor Fitzgerald Securities, entered into as of July 2, 1996, by and between CFLP and CF Group Management, Inc.

5.02. Assignee's Indemnification Obligations. Subject to the terms and conditions of this Article V, Assignee agrees to defend, indemnify and hold each Assignor, its affiliates and their respective officers, directors, agents, attorneys, employees and representatives harmless from and against any and all Damages directly or indirectly arising out of, resulting from or relating to:

(a) any breach of any representation, warranty, covenant, agreement or obligation contained in this Agreement;

(b) any Assumed Liability (including, without limitation, any failure by Assignee to perform pursuant hereto the obligations to be performed by it after the Closing under any Assigned Contracts or the use, operation or ownership of the Assets or operation of the Business after the Closing); and

(c) any contractual claim by any employee of Assignor hired by Assignee with respect to his or her employment by Assignee or termination of such employment after the Closing (except to the extend covered by Section 5.01 (e)(ii)), including any group insurance claims, workers' compensation claims or liabilities arising out of any accident, illness or other event occurring after the Closing and other claims with respect to pension, retirement and/or welfare benefits as they relate to such employee's services for Assignee after the Closing.

5.03. Claims for Indemnification; Defense of Indemnified Claims. For purposes of this Section, the party entitled to indemnification shall be referred to as the Indemnified Party and the party required to indemnify shall be referred to as the Indemnifying Party. In the event that the Indemnifying Party shall be obligated to the Indemnified Party pursuant to this Article V or in the event that a suit, action, investigation, claim or proceeding is begun, made or instituted as a result of which the Indemnifying Party may become obligated to the Indemnified Party hereunder, the Indemnified Party shall give prompt written notice to the Indemnifying Party of the occurrence of such event, specifying the basis for such claim or demand, and the amount or estimated amount thereof to the extent then determinable (which estimate shall not be conclusive of the final amount of such claim or demand); provided, however, that the failure to give such notice shall not constitute a waiver of the right to indemnification hereunder, except to the extent that the Indemnifying Party is actually prejudiced in a material respect thereby. The Indemnifying Party agrees to defend, contest or otherwise protect against any such suit, action, investigation, claim or proceeding at the Indemnifying Party's own cost and expense with counsel of its own choice, who shall be, however, reasonably acceptable to the Indemnified Party. The Indemnifying Party may not make any compromise or settlement without the prior written consent of the Indemnified Party (which will not be unreasonably withheld or delayed) and the Indemnified Party shall receive a full and unconditional release reasonably satisfactory to it pursuant to such compromise or settlement. The Indemnified Party shall have the right but not the obligation to participate at its own expense in the defense thereof by counsel of its own choice. If requested by the Indemnifying Party, the Indemnified Party shall (at the Indemnifying Party's expense) (i) cooperate with the Indemnifying Party and its counsel in contesting any claim or demand which the Indemnifying Party defends, (ii) provide the Indemnifying Party with reasonable access during normal business hours to its books and records to the extent that such books and records relate to the condition or operation of the Business and are requested by the Indemnifying Party to perform its indemnification obligations hereunder, and to make copies of such books and records, and (iii) make personnel available to assist in locating any books and records relating to the Business or whose assistance, participation or testimony is reasonably required in anticipation of, preparation for, or the prosecution and defense of, any claim subject to this Article V. In the event that the Indemnifying Party fails timely to defend, contest or otherwise protect the Indemnified Party against any such suit, action, investigation, claim or proceeding, the Indemnified Party shall have the right to defend, contest or otherwise protect the Indemnified Party against the same and may make any compromise or settlement thereof and recover the entire cost thereof from the Indemnifying Party, including, without limitation, reasonable attorneys' fees, disbursements and all amounts paid as a result of such suit, action, investigation, claim or proceeding or compromise or settlement thereof.

5.04. Payments; Non-Exclusivity. Any amounts due an Indemnified Party under this Article V shall be due and payable by the Indemnifying Party within fifteen (15) business days after (x) in the case of a claim which does not involve any third party, receipt of written demand therefor and (y) in the case of a claim which involves a third party, the final disposition of such claim or demand, provided legal and other out-of-pocket costs and expenses are reimbursed currently within fifteen (15) business days after demand therefor. The remedies conferred in this Article V are intended to be without prejudice to any other rights or remedies available at law or equity to the Indemnified Parties, now or hereafter.

ARTICLE VI

CONDITIONS TO ASSIGNEE'S OBLIGATIONS

The obligation of Assignee to consummate the transactions contemplated hereby is subject to the fulfillment at or prior to the Closing of the following conditions, any or all of which may be waived in whole or in part by Assignee to the extent permitted by applicable law:

6.01. Representations, Warranties and Covenants of the Assignors. The Assignors shall have complied in all material respects with all of their agreements and covenants contained herein (including the obligations of the Assignors to deliver the documents specified in Section 1.05) to be performed at or prior to the Closing Date, and all of the representations and warranties of the Assignors contained herein shall be true in all material respects on and as of the Closing Date with the same effect as though made on and as of the Closing Date, except to the extent that such representations and warranties were made as of a specified date and, as to such representations and warranties, the same shall continue on the Closing Date to have been true in all material respects as of the specified date.

6.02. Other Consents and Filings. All material approvals and consents of or filings with governmental or regulatory authorities, and all material approvals and consents of any other persons (including, without limitation, all third party consents under each of the Assigned Contracts), required to permit the consummation of all of the transactions contemplated hereby shall have been obtained or made, as the case may be, to the reasonable satisfaction of Assignee; provided, however, that it shall not be a condition to Assignee's obligation to close the transactions contemplated hereby if the failure to obtain any such approvals, consents or filings would not be material to the Business or the Assets. For purposes of this Section 6.02, it is understood and agreed that the failure to obtain any of the approvals, consents and filings listed on Schedule 6.02 shall be deemed to be material to the Business or the Assets.

6.03. Absence of Litigation. No proceeding, action, suit, investigation, litigation or claim challenging the legality of, or seeking to restrain, prohibit or modify the transactions contemplated by this Agreement or the Additional Agreements shall have been instituted and not settled or otherwise terminated.

6.04. Initial Public Offering of Assignee's Class A Common Stock. The Registration Statement on Form S-1 registering shares of Assignee's Class A Common Stock, par value $.01 per share (the "Class A Common Stock"), shall have been declared effective by the Securities and Exchange Commission and Assignee shall have completed its initial public offering of its Class A Common Stock concurrently with the Closing of the transactions contemplated hereby.

6.05. No Prohibition. No law, statute, rule or regulation or injunction, order, judgment, ruling, decree or settlement of any court or administrative agency shall be in effect which prohibits Assignee from consummating the transactions contemplated hereby or operating any Asset after the Closing Date.

ARTICLE VII

CONDITIONS TO THE ASSIGNORS' OBLIGATIONS

The obligations of the Assignors to consummate the transactions contemplated hereby shall be subject to the satisfaction (or waiver by the Assignors) on or prior to the Closing Date of all of the following conditions:

7.01. Representations, Warranties and Covenants of Assignee. Assignee shall have complied in all material respects with all of its agreements and covenants contained herein (including the obligation of Assignee to deliver the documents specified in Section 1.05) to be performed at or prior to the Closing Date, and all of the representations and warranties of Assignee contained herein shall be true in all material respects on and as of the Closing Date with the same effect as though made on and as of the Closing Date, except to the extent that such representations and warranties were made as of a specified date and, as to such representations and warranties, the same shall continue on the Closing Date to have been true in all material respects as of the specified date.

7.02. Initial Public Offering of Assignee's Class A Common Stock. The Registration Statement on Form S-1 registering shares of Assignee's Class A Common Stock shall have been declared effective by the Securities and Exchange Commission and Assignee shall have completed its initial public offering of its Class A Common Stock concurrently with the Closing of the transactions contemplated hereby.

7.03. No Prohibition. No law, statute, rule or regulation or injunction, order, judgment, ruling, decree or settlement of any court or administrative agency shall be in effect which prohibits any Assignor from consummating the transactions contemplated hereby.

ARTICLE VIII

TERMINATION PRIOR TO CLOSING

8.01. Termination. This Agreement may be terminated at any time prior to the Closing:

(a) By the mutual written consent of Assignee and the Assignors; or

(b) By either the Assignors or Assignee in writing, without liability to the terminating party on account of such termination (provided that the terminating party is not otherwise in breach of this Agreement), if there shall have been a material breach by the other party of its representations, warranties, covenants or agreements contained herein, the non-breaching party has notified the breaching party of the breach, and the breach has continued without cure for a period of 30 days after such notice of breach.

8.02. Effect on Obligations. Termination of this Agreement pursuant to this Article shall terminate all obligations of the parties hereunder; provided, however, that termination pursuant to paragraph (b) of Section 8.01 shall not relieve any party that breached its covenants or agreements contained herein or in any related agreement from any liability to the other party hereto by reason of such breach.

ARTICLE IX

MISCELLANEOUS

9.01. Joint and Several Liability. All obligations, covenants, agreements, promises and liabilities of the Assignors hereunder shall be joint and several obligations of all Assignors in all respects.

9.02. Successors and Assigns. This Agreement shall not be assignable by Assignee without the prior written consent of the Assignors. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

9.03. Headings. The headings of the Articles, Sections and paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

9.04. Modification and Waiver. No amendment, modification, alteration or waiver of the terms or provisions of this Agreement shall be binding unless the same shall be in writing and duly executed by the parties hereto; provided, however, that each amendment, modification, alteration or waiver hereof or hereunder must be approved by a majority of the outside directors of eSpeed. For purposes of this Agreement, an outside director shall mean a director who is not an employee, partner or affiliate (other than solely by reason of being an eSpeed director) of eSpeed, CFLP or any of their respective affiliates. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any party in exercising any right, power of privilege hereunder shall operate as a waiver thereof.

9.05. Broker's Fees. Each party represents and warrants that no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated hereby.

9.06. Expenses. Each Assignor and Assignee shall pay its own costs and expenses incurred in connection with the preparation and execution and delivery of this Agreement, including, without limiting the generality of the foregoing, fees and expenses of financial consultants, accountants and counsel provided that Assignee shall bear the cost of any sales, transfer and similar taxes in connection with any transfer of assets pursuant to this Agreement. The obligation to pay expenses pursuant to this Section 9.06 shall not in any way limit or expand any obligation of any Assignor or Assignee to bear and pay costs and expenses relating to the actual assignment of Assets pursuant to Section 1.01.

9.07. Notices. Any notice, request, instruction or other document to be given hereunder by either party hereto to the other party shall be in writing and delivered personally or sent by electronic facsimile transmission, cable, telegram, telex or other standard forms of written telecommunications, by overnight courier or by registered or certified mail, postage prepaid,

If to the Assignors to:

Cantor Fitzgerald, L.P.
One World Trade Center, 105th Floor
New York, NY 10048
Attention: President
Telecopier Number: 212-938-4116

With copies to:

Cantor Fitzgerald, L.P.

One World Trade Center, 105th Floor
New York, NY 10048
Attention: General Counsel
Telecopier Number: 212-938-3620

If to Assignee to:

eSpeed, Inc.
One World Trade Center, 103rd Floor
New York, NY 10048
Attention: President
Telecopier Number: 212-938-4614

or at such other address for a party as shall be specified by like notice. Any notice which is delivered personally or by a form of written telecommunications in the manner provided herein shall be deemed to have been duly given to the party to whom it is directed upon the actual receipt by such party. Any notice which is addressed and sent in the manner herein provided shall be conclusively presumed to have been duly given to the party to which it is addressed at the close of business, local time of the recipient, on the first day, if mailed by overnight courier, and otherwise on the third day, after the day it is so sent.

9.08. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York applicable to agreements made and to be performed wholly within such jurisdiction. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND OF THE UNITED STATES OF AMERICA IN EACH CASE LOCATED IN THE COUNTY OF NEW YORK FOR ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY (AND AGREES NOT TO COMMENCE ANY LITIGATION RELATING THERETO EXCEPT IN SUCH COURTS), AND FURTHER AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY U.S. REGISTERED MAIL TO ITS RESPECTIVE ADDRESS SET FORTH IN SECTION 9.07 SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY LITIGATION BROUGHT AGAINST IT IN ANY SUCH COURT. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY LITIGATION ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN THE COURTS OF THE STATE OF NEW YORK OR THE UNITED STATES OF AMERICA LOCATED IN THE COUNTY OF NEW YORK, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES

AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

9.09. Other Covenants. Subject to Section 6.02, the extent that any consents needed to assign to Assignee any of the Assets have not been obtained on or prior to the Closing Date, this Agreement shall not constitute an assignment or attempted assignment thereof if such assignment or attempted assignment would constitute a breach thereof. If any such consent shall not be obtained on or prior to the Closing Date, then (i) each of Assignee and the applicable Assignor, if required under applicable law, shall use its reasonable best efforts in good faith to obtain such consent as promptly as practicable thereafter (provided that reasonable best efforts shall not include the payment of monies to any third party) and (ii) until such consent is obtained, the parties shall use reasonable efforts in good faith to cooperate and to cause each of their respective affiliates to cooperate, in any lawful arrangement (including licensing, subleasing or subcontracting if permitted) designed to provide to Assignee the operational and economic benefits under any such Assets.

9.10. Disclosure Schedules and Exhibits; Entire Agreement. The Disclosure Schedules, and all exhibits and attachments to the Disclosure Schedules, an all exhibits to, and documents expressly incorporated into this Agreement, and any other attachments to this Agreement are hereby incorporated into this Agreement and are made a part hereof as if set out in full in this Agreement. This Agreement (and the agreements, certificates and other documents delivered hereunder), unless otherwise provided herein, supersedes all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and constitutes the entire agreement among the parties hereto with respect to the subject matter hereof.

9.11. Survival of Representations and Warranties. All of the representations and warranties of the Assignors and Assignee contained in this Agreement shall survive the Closing (even if the damaged party knew or had reason to know of any misrepresentation or breach of warranty at the time of Closing) and continue in full force and effect for ten (10) years thereafter (subject to any applicable statutes of limitations).

9.12. Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable, and if the rights or obligations of any party hereto under this Agreement will not be materially and adversely affected thereby, (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

9.13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original, and all of which shall constitute the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf as of the date first above written.

ASSIGNORS:

CANTOR FITZGERALD, L.P.

By:

Name:

Title:

CANTOR FITZGERALD SECURITIES

By:

Name:

Title: General Partner

CANTOR FITZGERALD & CO.

By:

Name:

Title: General Partner

CFFE, LLC

By:

Name:

Title:

ASSIGNEE:

eSPEED, INC.

By:

Name:

Title:

EXHIBIT A
Form of Joint Services
Agreement

EXHIBIT B
Form of Administrative
Services Agreement

EXHIBIT C
Form of General
Assignment,
Assumption
and Bill of Sale

EXHIBIT D
Form of Registration Rights
Agreement

EXHIBIT E
Form of Sublease
Agreement

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

ESPEED, INC.

---

eSpeed, Inc., a Delaware corporation organized and existing under the General Corporation Law of the State of Delaware (the "GCL"), hereby certifies as follows:

1. The name of this corporation is eSpeed, Inc. (the "Corporation"). The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on June 3, 1999 under the name "Cantor Fitzgerald Electronic Commerce Holdings, Inc."

2. Pursuant to Sections 242 and 245 of the GCL, this Amended and Restated Certificate of Incorporation amends and restates the Certificate of Incorporation of the Corporation.

3. This amendment of the Corporation's Certificate of Incorporation contained in this Amended and Restated Certificate of Incorporation was duly adopted by the Board of Directors and the stockholder of the Corporation in accordance with the provisions of Sections 242 and 245 of the GCL.

4. The Certificate of Incorporation of the Corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE ONE

The name of the Corporation is eSpeed, Inc.

ARTICLE TWO

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE THREE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the GCL.

ARTICLE FOUR

The total number of shares of all classes of stock which the Corporation shall have authority to issue is Three Hundred Fifty Million (350,000,000) shares, consisting of (i) Fifty Million (50,000,000) shares of Preferred Stock, par value one cent ($.01) per share (the "Preferred Stock"), and (ii) Three Hundred Million (300,000,000) shares of Common Stock (the "Common Stock"), of which Two Hundred Million (200,000,000) shares are designated as Class A Common Stock, par value one cent ($.01) per share (the "Class A Common Stock"), and One Hundred Million (100,000,000) shares are designated as Class B Common Stock (the "Class B Common Stock"), par value one cent ($.01) per share. Shares of Class B Common Stock that are converted into shares of Class A Common Stock shall be retired and not reissued.

A statement of the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, in respect of each class of stock of the Corporation is as follows:

PREFERRED STOCK

The Preferred Stock may be issued from time to time by the Board of Directors as shares of one or more classes or series. Subject to the provisions of this Amended and Restated Certificate of Incorporation and the limitations prescribed by law, the Board of Directors is expressly authorized by adopting resolutions to issue the shares, fix the number of shares and change the number of shares constituting any series, and to provide for or change the voting powers, designations, preferences and relative, participating, optional or other special rights, qualifications, limitations or restrictions thereof, including dividend rights (and whether dividends are cumulative), dividend rates, terms of redemption (including sinking fund provisions), redemption prices, conversion rights and liquidation preferences of the shares constituting any class or series of the Preferred Stock, without any further action or vote by the stockholders.

COMMON STOCK

1. Reclassification.

Effective immediately upon the filing with the Secretary of State of the State of Delaware of this Amended and Restated Certificate of Incorporation, and without further action on the part of the holders of the common stock outstanding immediately prior to the time of such filing (the "Outstanding Common Stock"), each share of Outstanding Common Stock shall

immediately and automatically be converted into one share of Class B Common Stock. Effective immediately upon the filing with the Secretary of State of the State of Delaware of this Amended and Restated Certificate of Incorporation, each certificate representing a share of Outstanding Common Stock thereafter shall be deemed to represent a share of Class B Common Stock.

2. Voting.

(a) At each annual or special meeting of stockholders, and for all other purposes, each holder of record of shares of Class A Common Stock on the relevant record date shall be entitled to one (1) vote for each share of Class A Common Stock and each holder of record of shares of Class B Common Stock on the relevant record date shall be entitled to ten (10) votes for each share of Class B Common Stock. Except as otherwise required by law and this Amended and Restated Certificate of Incorporation and subject to the rights of holders of any series of Preferred Stock of the Corporation that may be issued from time to time, the holders of shares of Class A Common Stock and shares of Class B Common Stock shall vote together as a single class on all matters voted on by the stockholders of the Corporation.

(b) Neither the holders of shares of Class A Common Stock nor the holders of shares of Class B Common Stock shall have cumulative voting rights.

3. Dividends: Stock Splits.

Subject to the rights of the holders of shares of any series of Preferred Stock, and subject to any other provisions of this Amended and Restated Certificate of Incorporation, holders of shares of Class A Common Stock and shares of Class B Common Stock shall be entitled to receive such dividends and other distributions in cash, stock or property of the Corporation as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor. If at any time a dividend or other distribution in cash or other property (other than dividends or other distributions payable in shares of Common Stock or other voting securities or options or warrants to purchase shares of Common Stock or other voting securities or securities convertible into or exchangeable for shares of Common Stock or other voting securities) is paid on the shares of Class A Common Stock or the shares of Class B Common Stock, a like dividend or other distribution in cash or other property shall also be paid on shares of Class A Common Stock or shares of Class B Common Stock, as the case may be, in an equal amount per share. If at any time a dividend or other distribution payable in shares of Common Stock or options or warrants to purchase shares of Common Stock or securities convertible into or exchangeable for shares of Common Stock is paid on shares of Class A Common Stock or shares of Class B Common Stock, a like dividend or other distribution shall also be paid on shares of Class A Common Stock or shares of Class B Common Stock, as the case may be, in an equal amount per share; provided, however, that, for this purpose, if shares of Class A Common Stock or other voting securities, or options or warrants to purchase shares of Class A Common Stock or other voting securities or securities convertible into or exchangeable for shares of Class A Common Stock or other voting securities,

are paid on shares of Class A Common Stock, and shares of Class B Common Stock or voting securities identical to the other securities paid on the shares of Class A Common Stock (except that voting securities paid on the Class B Common Stock may have up to ten (10) times the number of votes per share as voting securities paid on the Class A Common Stock) or options or warrants to purchase shares of Class B Common Stock or such other voting securities or securities convertible into or exchangeable for shares of Class B Common Stock or such other voting securities, are paid on shares of Class B Common Stock, in an equal amount per share, such dividend or other distribution shall be deemed to be a like dividend or distribution. In the case of any split, subdivision, combination or reclassification of shares of Class A Common Stock or Class B Common Stock, the shares of Class A Common Stock or Class B Common Stock, as the case may be, shall also be split, subdivided, combined or reclassified so that the number of shares of Class A Common Stock and Class B Common Stock outstanding immediately following such split, subdivision, combination or reclassification shall bear the same relationship to each other as did the number of shares of Class A Common Stock and Class B Common Stock outstanding immediately prior to such split, subdivision, combination or reclassification.

4. Conversion Rights.

(a) Voluntary Conversion of Class B Common Stock. Each share of Class B Common Stock is convertible into one fully paid and non-assessable share of Class A Common Stock at any time at the option of the holder. In order to exercise the conversion privilege, the holder of any shares of Class B Common Stock to be converted shall present and surrender the certificate or certificates representing such shares during usual business hours at the principal executive offices of the Corporation, or if any agent for the registration or transfer of shares of Class B Common Stock is then duly appointed and acting (said agent being hereinafter called the "Transfer Agent"), then at the office of the Transfer Agent, accompanied by written notice that the holder elects to convert the shares of Class B Common Stock represented by such certificate or certificates, to the extent specified in such notice. Such notice shall also state the name or names (with addresses) in which the certificate or certificates for shares of Class A Common Stock which shall be issuable upon such conversion shall be issued. If required by the Corporation, any certificate for shares of Class B Common Stock surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation and the Transfer Agent, duly executed by the holder of such shares or his or her duly authorized representative. As promptly as practicable after the receipt of such notice and the surrender of the certificate or certificates representing such shares of Class B Common Stock as aforesaid, the Corporation shall issue and deliver at such office to such holder, or on his or her written order, a certificate or certificates for the number of full shares of Class A Common Stock issuable upon the conversion of such shares. Each conversion of shares of Class B Common Stock shall be deemed to have been effected on the date on which such notice shall have been received by the Corporation or the Transfer Agent, as applicable, and the certificate or certificates representing such shares shall have been surrendered (subject to receipt by the Corporation or the Transfer Agent, as applicable, within thirty (30) days thereafter of any required instruments of transfer as

aforesaid), and the person or persons in whose name or names any certificate or certificates for shares of Class A Common Stock shall be issuable upon such conversion shall be deemed to have become on said date the holder or holders of record of the shares represented thereby.

(b) Unconverted Shares. If less than all of the shares of Class B Common Stock evidenced by a certificate or certificates surrendered to the Corporation (in accordance with such procedures as the Board of Directors may determine) are converted, the Corporation shall execute and deliver to or upon the written order of the holder of such certificate or certificates a new certificate or certificates evidencing the number of shares of Class B Common Stock which are not converted without charge to the holder.

(c) No Conversion Rights of Class A Common Stock. The Class A Common Stock has no conversion rights.

(d) Reservation of Shares of Class A Common Stock. The Corporation hereby reserves, and shall at all times reserve and keep available, out of its authorized and unissued shares of Class A Common Stock, for the purposes of effecting conversions, such number of duly authorized shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock. The Corporation covenants that all the shares of Class A Common Stock so issuable shall, when so issued, be duly and validly issued, fully paid and non-assessable.

5. Liquidation, Dissolution, etc.

In the event of any liquidation, dissolution or winding up (either voluntary or involuntary) of the Corporation, the holders of shares of Class A Common Stock and the holders of shares of Class B Common Stock shall be entitled to receive the assets and funds of the Corporation available for distribution, after payments to creditors and to the holders of any Preferred Stock of the Corporation that may at the time be outstanding, in proportion to the number of shares held by them, respectively, without regard to class.

6. Rights Otherwise Identical.

Except as otherwise expressly set forth in this Amended and Restated Certificate of Incorporation, the rights of the holders of Class A Common Stock and the rights of the holders of Class B Common Stock shall be in all respects identical.

ARTICLE FIVE

From and after the date of the closing of the Corporation's initial public offering of Class A Common Stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and

may not be effected by any consent in writing by such holders unless all of the stockholders entitled to vote thereon consent thereto in writing. Except as otherwise required by law and subject to the rights of the holders of the Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board of Directors, or, if the Chairman of the Board is unavailable, by the Vice Chairman acting jointly with the President.

ARTICLE SIX

In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized to make, alter and repeal the By-Laws of the Corporation pursuant to a resolution approved by a majority of the Board of Directors. The stockholders may make, alter and repeal the By-Laws of the Corporation only with, and in addition to any other vote required by law, the affirmative vote of the holders of a majority of the voting power of all outstanding shares of capital stock of the Corporation present in person or by proxy and entitled to vote thereon.

ARTICLE SEVEN

No director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the GCL or (iv) for any transaction from which the director derived an improper personal benefit.

ARTICLE EIGHT

The Corporation shall, to the fullest extent permitted by Section 145 of the GCL, as the same may be amended and supplemented, indemnify each director and officer of the Corporation from and against any and all of the expenses, liabilities or other matters referred to in or covered by said section and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Law, agreement, vote of stockholders, vote of disinterested directors or otherwise, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such persons, and the Corporation may purchase and maintain insurance on behalf of any director or officer to the extent permitted by Section 145 of the GCL.

ARTICLE NINE

Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation or of any creditor or stockholder thereof or on

the application of any receiver or receivers appointed for the Corporation under the provisions of section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for the Corporation under the provisions of section 279 of Title 8 of the Delaware Code, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

ARTICLE TEN

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by law and this Amended and Restated Certificate of Incorporation, and all rights, preferences and privileges conferred upon stockholders herein are granted subject to this reservation. In addition, the number of authorized shares of Class B Common Stock may not be increased or decreased and the rights of the Class B Common Stock (including the rights set forth in this sentence) may not be amended, altered, changed or repealed, without the approval of the holders of a majority of the voting power of all outstanding shares of Class B Common Stock. However, the number of authorized shares of Class A Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote thereon, irrespective of Del. Code Ann. Tit. 8, Section 242(b)(2).

IN WITNESS WHEREOF, the undersigned has executed this Amended and Restated Certificate of Incorporation as of this __ day of October, 1999.

eSPEED, INC.

By:

Name:

Title:

ML&B DRAFT 10/29/99

eSPEED, INC.

EMPLOYEE STOCK PURCHASE PLAN

1. Purpose. The purpose of the eSpeed, Inc. Employee Stock Purchase Plan (the "Plan") is to provide eligible employees of eSpeed, Inc. (the "Company"), its Subsidiaries and its Parent, who wish to become stockholders, an opportunity to purchase Common Stock of the Company. The Board of Directors of the Company (the "Board") believes that employee participation in ownership will be to the mutual benefit of the employees and the Company. The Plan is intended to constitute an "employee stock purchase plan" within the meaning of section 423 of the Internal Revenue Code of 1986, as amended (the "Code").

2. Definitions. Terms not otherwise defined herein shall have the meaning set forth below:

(a) "Committee" means the Board or a committee appointed by the Board to administer the Plan.

(b) "Compensation" means, with respect to any paycheck, either (i) the portion thereof representing the gross remuneration paid for services rendered, or (ii) the portion thereof representing base salary or regular wages, as determined by the Committee.

(c) "Eligible Employee" means an Employee who is eligible to participate pursuant to Section 4(a).

(d) "Employee" means each individual who is an employee of the Company, a Subsidiary, or Parent for purposes of federal tax withholding; provided, however, that the term Employee shall not include any individual (i) who for purposes of section 423(b)(3) of the Code, is deemed to own stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company, a Subsidiary, or Parent, or (ii) who is on an approved leave of absence that has exceeded 90 days and whose right to reemployment is not guaranteed either by statute or by contract.

(e) "Market Value" means the last sales price of a Share or, if unavailable, the average of the closing bid and asked prices per Share at the end of regular trading on such date (or, if there was no trading or quotation in the Shares on such date, on the next preceding date on which there was trading or quotation) as provided by the national securities exchange or interdealer quotation system on which the Shares are listed or quoted.

(f) "Offering" means each separate offering of Shares under the Plan that occurs during each Offering Period.

(g) "Offering Date" means the date on which each Offering Period is to commence, as determined by the Administrative Committee.

(h) "Offering Period" means a period of such duration as determined by the Committee; provided, however, that the duration of the Offering Period shall not exceed (i) 27 months, where the Purchase Price is set by reference to the lower of the Market Price on the Offering Date or the Purchase Date, or (ii) 5 years, where the Purchase Price is set solely by reference to the Market Price on the Purchase Date. Offering Periods may run consecutively or may overlap, as determined by the Committee.

(i) "Parent" means a corporation described in section 424(e) of the Code that has, with the permission of the Board, adopted the Plan.

(j) "Participant" means each Eligible Employee who elects to participate in the Plan.

(k) "Purchase Agreement" means the document prescribed by the Committee pursuant to which an Eligible Employee has enrolled to be a Participant.

(l) "Purchase Date" means the last day of each Offering Period, and such interim dates, as determined by the Committee, on which Shares are purchased pursuant to the Plan.

(m) "Purchase Price" shall mean the price at which a Share shall be purchased on each Purchase Date, the method for determining which shall be set in advance of each Offering by the Committee; provided, however, that the Purchase Price shall not be less than 85% of the Market Value on the (i) Offering Date, or (ii) Purchase Date, whichever is lower.

(n) "Share" means a share of Class A Common Stock of the Company, par value $0.01 per share.

(o) "Stock Purchase Account" means a noninterest bearing bookkeeping entry established by the Company, which shall record all amounts deducted from a Participant's Compensation for the purpose of purchasing Shares for such Participant under the Plan, reduced by all amounts applied to the purchase of Shares for such Participant under the Plan. The Company shall not be required to segregate or set aside any amounts so deducted, and such bookkeeping entry shall not represent an interest in any assets of the Company. All deducted amounts shall remain part of the Company's general assets until they are applied to purchase Shares under the Plan, and until such time may be used by the Company for any corporate purpose.

(p) "Subsidiary" shall mean a corporation described in section 424(f) of the Code that has, with the permission of the Board, adopted the Plan.

3. Administration.

(a) The Plan shall be administered by the Committee who shall have the authority and power to adopt, construe, and enforce rules and regulations not inconsistent with the provisions of the Plan. In administering the Plan, the Committee shall ensure that all Eligible Employees have the same rights and privileges, to the extent required under Section 423(b)(5) of the Code. Any action of the Committee with respect to the Plan shall be final, conclusive and binding on all persons, including the Company, its Parent and its Subsidiaries, Participants, and any person claiming any rights under the Plan from or through any Participant, except to the extent the Committee may subsequently modify, or take further action not consistent with, its prior action. The Committee may delegate to officers or managers of the Company, its Parent or its Subsidiaries the authority, subject to such terms as the Committee shall determine, to perform such functions as the Committee may determine, to the extent permitted under applicable law.

(b) Each member of the Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by any officer or other employee of the Company , its Parent or its Subsidiaries, the Company's independent certified public accountants or any compensation consultant, legal counsel or other professional retained by the Company to assist in the administration of the Plan. No member of the Committee, or any officer or employee of the Company acting on behalf of the Committee, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan, and all members of the Committee and any officer or employee of the Company acting on its behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action, determination or interpretation.

4. Eligibility and Participation.

(a) During each Offering, each Employee shall be eligible to participate in the Plan; provided, however, that with respect to any Offering, the Committee may exclude such Employees who are described in Section 423(b)(4) of the Code.

(b) Each Eligible Employee may elect to participate in an Offering by completing a Purchase Agreement at such time in advance of the commencement of the Offering as determined by the Committee.

(c) Unless otherwise determined by the Committee, the purchase of Shares under the Plan shall be funded solely through payroll deductions accumulated during the Offering Period. In a Purchase Agreement, an Eligible Employee shall designate the percentage (in whole percentages) of

Compensation to be deducted from each paycheck, subject to such maximum percentage limit as may be set by the Committee on a uniform basis. Such payroll deductions shall be credited to the Participant's Stock Purchase Account. Increases or decreases to a Participant's rate of payroll deduction during an Offering Period may be permitted based on uniform rules to be established by the Committee.

(d) Any Participant may voluntarily withdraw from the Plan by filing a notice of withdrawal with the Committee at such time in advance as the Committee may specify. Upon such withdrawal, there shall be paid to the Participant the amount, if any, standing to his credit in his Stock Purchase Account.

(e) If a Participant ceases to be employed by the Company, a Subsidiary, or Parent, participation in the Plan shall cease and the entire amount, if any, standing to the Participant's credit in his Stock Purchase Account shall be refunded to him. If a Participant remains employed by the Company, a Subsidiary, or Parent, but ceases to be an Eligible Employee, he may continue to participate in the Plan through the end of the Offering Period in which such cessation occurs, but may participate thereafter only pursuant to Section 4(a).

5. Purchase of Shares. Subject to Section 6, on any Purchase Date, there shall be purchased on behalf of each Participant that number of Shares which equals the amount then credited to each Participant's Stock Purchase Account divided by the Purchase Price (rounded down to the nearest whole Share). Any amounts not so applied (i.e., that would result in a fractional Share) shall remain in the Participant's Stock Purchase Account.

6. Limitations.

(a) The aggregate number of Shares that may be purchased under the Plan shall not exceed 425,000.

(b) The aggregate number of Shares that may be purchased by any Participant with respect to any one Offering Period shall not exceed 5,000.

(c) No Eligible Employee shall be granted the right to purchase Shares that would exceed the limitation set forth in Section 423(b)(8) of the Code.

In order to satisfy the foregoing limitations, the Committee shall have the right to (i) decrease or suspend a Participant's payroll deductions, (ii) not apply all or any portion of a Participant's Stock Purchase Account toward the purchase of Shares, and (iii) repurchase Shares previously purchased by a Participant at the Purchase Price paid by the Participant. In respect of Section 6(a) above, any such method shall be applied on a uniform basis.

7. Restrictions on Shares. Shares purchased by a Participant shall, for all purposes, be deemed to have been issued at the close of business on the relevant Purchase Date. Prior to that time, none of the rights or privileges of a stockholder of the Company shall inure to the Participant with respect to such Shares. All Shares purchased under the Plan shall be delivered by the Company in a manner as determined by the Committee and may consist, in whole or in part, of authorized and unissued shares, treasury shares or shares acquired in the market on a Participant's behalf. The Committee shall have the authority to determine the restrictions, if any, to which Shares shall be subject (including lock-ups and other transfer restrictions), and may condition the delivery of the Shares upon the execution by the Participant of any agreement providing for such restrictions and/or require that the Shares be held in a brokerage or custodial account established with a broker or other custodian selected by the Committee in order to enforce such restrictions.

8. Adjustments.

(a) In the event that the Committee shall determine that any recapitalization, forward or reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase or exchange of Shares or other securities, stock dividend or other special, large and non-recurring dividend or distribution (whether in the form of cash, securities or other property), liquidation, dissolution, or other similar corporate transaction or event, affects the Shares such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of
(i) the limitations on the number of Shares that may be purchased under Sections 6(a) and (b), (ii) the kind of Shares reserved for purchase under the Plan, and
(iii) the calculation of the Purchase Price.

(b) If the Shares shall cease for any reason to be listed on any nationally recognized stock exchange or quotation system, the Plan and any Offering hereunder shall thereupon terminate, and the balance then standing to the credit of each Participant in his Stock Purchase Account shall be returned to him.

9. General Provisions.

(a) Compliance With Laws and Obligations. The Company shall not be obligated to issue or deliver Shares under the Plan in a transaction subject to the requirements of any applicable securities law, any requirement under any listing agreement between the Company and any national securities exchange or automated quotation system or any other law, regulation or contractual obligation of the Company until the Company is satisfied that such laws, regulations, and other obligations of the Company have been complied with in full. Certificates representing Shares issued under the Plan will be subject to such stop-transfer orders and other restrictions as may be applicable under such laws, regulations and other obligations of the Company, including any requirement that a legend or legends be placed thereon.

(b) Nonalienation. The right to purchase Shares under the Plan is personal to the Participant, is exercisable only by the Participant during his lifetime except as hereinafter set forth, and may not be assigned or otherwise transferred by the Participant. Notwithstanding the foregoing, there shall be delivered to the executor, administrator or other personal representative of a deceased Participant such Shares and such residual balance as may remain in the Participant's Stock Purchase Account as of the date the Participant's death occurs. However, such representative shall be bound by the terms and conditions of the Plan as if such representative were a Participant.

(c) Taxes. The Company, a Subsidiary, or Parent, shall be entitled to require any Participant to remit, through payroll withholding or otherwise, any tax that it determines it is so obligated to collect with respect to the purchase or subsequent sale of Shares, and the Committee shall institute such mechanisms as shall insure the collection of such taxes. If Shares acquired with respect to an Offering are sold or otherwise disposed of within two years after the Offering Date or within one year after the Purchase Date, the holder of the Shares immediately prior to the disposition shall promptly notify the Company in writing of the date and terms of the disposition and shall provide such other information regarding the disposition as the Company may reasonably require in order to secure any deduction then available against the Company's or any other corporation's taxable income. The Committee may impose such procedures as it determines may be necessary to ensure that such notification is made (e.g., by requiring that Shares be held in a brokerage or custodial account established with a broker or other custodian selected by the Committee).

(d) No Right to Continued Employment or Service. Neither the Plan nor any action taken hereunder shall be construed as giving any employee, director or other person the right to be retained in the employ or service of the Company, its Parent or any Subsidiary, nor shall it interfere in any way with the right of the Company, its Parent or any Subsidiary to terminate any employee's employment or other person's service at any time or with the right of the Board or stockholders to remove any director.

(e) Changes to the Plan. The Board may amend, alter, suspend, discontinue or terminate the Plan without the consent of stockholders or Participants, except that any such action shall be subject to the approval of the Company's stockholders at or before the next annual meeting of stockholders for which the record date is after such Board action if such stockholder approval is required by any federal or state law or regulation or the rules of any stock exchange or automated quotation system on which the Shares may then be listed or quoted, and the Board may otherwise, in its discretion, determine to submit other such changes to the Plan to stockholders for approval; provided, however, that, without the consent of an affected Participant, no such action may materially impair the rights of such Participant with respect to any Shares previously purchased by the Participant. Upon termination of the Plan, any amounts then credited to a Participant's Stock Purchase Account shall be returned to the Participant.

(f) Nonexclusivity of the Plan. Neither the adoption of the Plan by the Board nor any submission of the Plan or amendments thereto to the stockholders of the Company for approval shall be

construed as creating any limitations on the power of the Board to adopt such other compensatory arrangements as it may deem desirable, including, without limitation, the granting of stock options or purchase rights otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

(g) Governing Law. The validity, construction and effect of the Plan, any rules and regulations relating to the Plan shall be determined in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of laws, and applicable federal law.

JOINT SERVICES AGREEMENT

among

CANTOR FITZGERALD, L.P.,

CANTOR FITZGERALD SECURITIES,

CANTOR FITZGERALD & CO.,

CANTOR FITZGERALD PARTNERS,

CANTOR FITZGERALD INTERNATIONAL,

CANTOR FITZGERALD GILTS,

eSPEED, INC.,

eSPEED SECURITIES, INC.,

eSPEED GOVERNMENT SECURITIES, INC.,

eSPEED MARKETS, INC.

and

eSPEED SECURITIES INTERNATIONAL LIMITED

Dated as of December __, 1999

JOINT SERVICES AGREEMENT

This JOINT SERVICES AGREEMENT is made and entered into as of December __, 1999, among Cantor Fitzgerald, L.P., a Delaware limited partnership ("CFLP"), Cantor Fitzgerald International, an English unlimited liability company ("CF International"), Cantor Fitzgerald Gilts, an English unlimited liability company ("CF Gilts"), Cantor Fitzgerald Securities, a New York general partnership ("CFS"), Cantor Fitzgerald & Co., a New York general partnership ("CF&Co"), and Cantor Fitzgerald Partners, a New York general partnership ("CFP" and, together with CFLP, CF International, CF Gilts, CFS and CF&Co., the "Executing Cantor Parties" and, together with the other Executing Cantor Parties and each subsidiary of CFLP that becomes a party to this Agreement, the "Cantor Parties"), on the one hand, and eSpeed, Inc., a Delaware corporation ("eSpeed"), eSpeed Securities, Inc., a Delaware corporation and a wholly-owned subsidiary of eSpeed ("eSpeed Securities"), eSpeed Government Securities, Inc., a Delaware corporation and a wholly-owned subsidiary of eSpeed ("eSpeed GS"), eSpeed Securities International, Limited, a U.K. private limited company and a wholly-owned subsidiary of eSpeed ("eSpeed International"), and eSpeed Markets, Inc., a Delaware corporation and a wholly-owned subsidiary of eSpeed ("eSpeed Markets" and, together with eSpeed, eSpeed Securities, eSpeed GS and eSpeed International, the "Executing eSpeed Parties" and, together with the other Executing eSpeed Parties and each subsidiary of eSpeed that becomes a party to this Agreement, the "eSpeed Parties"), on the other hand. All capitalized terms used in this Agreement and not otherwise defined shall have the meanings ascribed to such terms in Section 1 of this Agreement. Each subsidiary of CFLP and eSpeed will automatically become a party to this Agreement, unless it becomes a party to a substantially identical separate agreement.

W I T N E S S E T H:

WHEREAS, the Executing Cantor Parties are engaged in, among other things, the business of creating, developing and operating Marketplaces in and through which buyers and sellers of fixed-income securities, futures contracts, commodities and other Financial Products may effect transactions in those Financial Products;

WHEREAS, certain of the Marketplaces operated by the Executing Cantor Parties are Electronic Marketplaces;

WHEREAS, pursuant to an Assignment and Assumption Agreement of even date herewith, certain of the Executing Cantor Parties are contributing to eSpeed their Electronic Trading Systems assets;

WHEREAS, from and after the Closing, the eSpeed Parties and the Cantor Parties wish to collaborate in providing brokerage services to customers through the existing Electronic Marketplaces, and in creating and developing Electronic Marketplaces for new Financial Products and other Products; and

WHEREAS, from and after the Closing, the eSpeed Parties wish to provide Ancillary IT Services to the Cantor Parties in consideration for the fees herein provided;

NOW, THEREFORE, in consideration of the premises contained herein, it is agreed as follows:

1. Defined Terms. For purposes of this Agreement, the following terms have the meanings specified or referred to in this Section 1:

"Ancillary IT Services" means technology support services, including, but not limited to, (i) systems administration, (ii) internal network support, (iii) support and procurement for desktops of end-user equipment, (iv) operations and disaster recovery services, (v) voice and data communications,
(vi) support and development of systems for Clearance, Settlement and Fulfillment Services, (vii) systems support for Cantor Party brokers and (viii) electronic applications systems and network support and development for Unrelated Dealer Businesses.

"Cantor Exchange" means Cantor Financial Futures Exchange, Inc. and any successor thereto or to the operations thereof.

"Cantor Services" means any one of, or any combination of, Voice Assisted Brokerage Services, Clearance, Settlement and Fulfillment Services and Related Services.

"Clearance, Settlement and Fulfillment Services" means all such services as are necessary to clear, settle and fulfill, or arrange settlement or fulfillment as a name give-up or other intermediary of, in accordance with customary market practice and taking into account applicable regulatory requirements, a purchase and sale of a particular Product, including, but not limited to, collection of money; arrangement of delivery of Products; receipt, delivery and maintenance of margin and collateral, if appropriate; dealing with issues relating to failures to receive or deliver payments or Products; and collection and payment of transfer or similar taxes, to the extent applicable to such Product. Clearance, Settlement and Fulfillment Services may include, but are not limited to, acting as a riskless principal or other intermediary between the buyer and the seller of a Product.

"Closing" means the Closing under the Assignment and Assumption Agreement.

"Collaborative Marketplace" means an Electronic Marketplace that is operated by a Cantor Party and an eSpeed Party in collaboration pursuant to Section 3 of this Agreement. All Marketplaces shall be Collaborative Marketplaces, unless otherwise determined in accordance with this Agreement.

"Electronic Brokerage Services" means the effecting of transactions in, and purchases and sales of, a Product on an Electronic Marketplace in and through the operation of an Electronic Trading System. Electronic Brokerage Services include, but are not limited to, the provision and operation of network distribution systems, transaction processing systems and customer interface systems, in each case that are related to the effecting of transactions in, and purchases and sales of, a Product on an Electronic Marketplace. Electronic Brokerage Services do not include Voice Assisted

Brokerage Services, Clearance, Settlement and Fulfillment Services, Information Services or Related Services.

"Electronic Marketplace" means a Marketplace on which transactions in, and purchases and sales of, Products may be effected in whole or in part electronically, but does not include a Marketplace that is merely electronically assisted, such as screen assisted open outcry.

"Electronic Trading System" means, as to any Electronic Marketplace, the hardware, software, network infrastructure and other similar assets that are used to effect purchases and sales in that Electronic Marketplace.

"eSpeed Marketplace" means a Marketplace (i) in which an eSpeed Party renders Electronic Brokerage Services and (ii) that is not a Collaborative Marketplace.

"Financial Product" means any financial asset or financial instrument, any intangible commodity or any tangible fungible commodity, including, but not limited to, any security, futures contract, foreign exchange transaction, swap transaction, credit derivative, repurchase or reverse repurchase obligation, currency or swap (as currently defined in the Federal Bankruptcy Code of 1978) or any option or derivative on any of the foregoing.

"Information" means information relating to bids, offers or trades, or any other information, that is input into, created by or otherwise resides on an Electronic Trading System.

"Information Services" means the provision of Information to a Person with respect to a Marketplace as a separate service not in connection with transactions by such Person on such Marketplace. Information Services shall not include the provision of Information to purchasers and sellers of a Product incident to the provision of Electronic Brokerage Services and/or Voice Assisted Brokerage Services to such customers.

"Marketplace" means a marketplace operated or to be operated by the Cantor Parties and/or the eSpeed Parties in and through which buyers and sellers of a Product may effect transactions in the Product.

"New Market Notice" means, with respect to a Marketplace, a written notice describing with reasonable specificity the anticipated nature, general level of volume and trading needs of that Marketplace.

"Person" means any corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization or other entity or governmental or regulatory authority or agency.

"Product" means any tangible or intangible asset or good.

"Product or Pricing Decisions" means, as to an Electronic Marketplace for a particular Product, (i) the definition of the Product, (ii) the hours of operation of the Marketplace, (iii) the rules relating to trading priority, incentives and other trading related issues and (iv) the rates and schedules

of commissions and other Transaction Revenues for the Marketplace, including any variation thereof for particular customers or classes of customers.

"Related Services" includes (i) credit and risk management services, (ii) services related to sales positioning of Products, (iii) oversight of customer suitability and regulatory compliance and (iv) such other services customary to brokerage operations as are agreed to by CFLP and eSpeed.

"Transaction Revenues" means, in each case, the standard fees, commissions, spreads, markups or other similar standard amounts received from a customer in connection with effecting transactions in a Marketplace.

"Unrelated Dealer Businesses" means (i) the equity businesses of the Cantor Parties as they may exist from time to time, (ii) the money market instruments and securities lending divisions of the Cantor Parties as they may exist from time to time, (iii) any business or portion thereof or activity in which a Cantor Party acts as a dealer or otherwise takes market risk or positions, including in the process of executing matched principal transactions, providing the services of a specialist or market maker or providing trading or arbitrage operations, (iv) activities currently or in the future subject to or similar to those specified in the United Kingdom Gaming Act of 1963 or any successor act and (v) any business not involving operating a Marketplace.

"Voice Assisted Brokerage Services" means the effecting of transactions in, and purchases and sales of, a Product on an Electronic Marketplace in and through a broker or other human intermediary, in each case who is an employee of, or providing services to, a Cantor Party. Voice Assisted Brokerage Services include the entry of an order by a broker or other human intermediary into the Electronic Trading System.

2. Term. The term of this Agreement shall commence as of the Closing and shall be in effect perpetually, unless sooner ended by the mutual agreement, in writing, of CFLP and eSpeed (the "Term").

3. Joint Services in Collaborative Marketplaces.

(a) Subject to the terms and conditions stated herein, the Cantor Parties and the eSpeed Parties intend to collaborate in providing Electronic Brokerage Services and Cantor Services to customers in and through Electronic Marketplaces. In any case in which the Cantor Parties and the eSpeed Parties do so collaborate, the Marketplace shall be a Collaborative Marketplace and the respective authority, responsibilities and obligations of the parties shall be governed by this Section 3.

(b) The parties agree that the Electronic Marketplaces that are managed by the Cantor Parties prior to the date hereof, all of which are listed by Product on Annex A hereto, shall be Collaborative Marketplaces governed by this Section 3. The determination as to whether a Marketplace that is created after the date hereof is to be a Collaborative Marketplace governed by this Section 3 shall be made in accordance with Section 7 of this Agreement.

(c) In the case of each Collaborative Marketplace, any Product or Pricing Decision shall be made jointly by the Cantor Parties and the eSpeed Parties. If the parties are unable to agree on

a particular Product or Pricing Decision after good faith efforts to do so, then the final Product or Pricing Decision shall be made by (i) a Cantor Party, in the case of a Marketplace or the portion thereof in which or for which a Cantor Party provides any Voice Assisted Brokerage Services, and (ii) an eSpeed Party, in the case of a fully electronic Marketplace (that is, a Marketplace in which no Cantor Party provides Voice Assisted Brokerage Services) or the portion of a Marketplace that is fully electronic; provided, however, that no Product and Pricing Decision made by an eSpeed Party with respect to a fully electronic Marketplace shall result in the Cantor Party's share of Transaction Revenues for the transactions effected in the Marketplace being less than the amount necessary to cover the Cantor Party's actual costs of providing Cantor Services in connection with such Marketplace.

(d) In the case of each Collaborative Marketplace, the applicable eSpeed Party (i) shall own and operate the Electronic Trading System associated with the Electronic Marketplace, (ii) shall be responsible, as between the parties, for the provision of Electronic Brokerage Services to customers and (iii) except as provided above with respect to Product or Pricing Decisions, shall have reasonable discretion as to the manner and means of operating the Electronic Trading System and providing Electronic Brokerage Services to customers and Cantor brokers in connection therewith.

(e) In the case of each Collaborative Marketplace, the applicable Cantor Party (i) shall be responsible, as between the parties, for the provision of Cantor Services to customers and (ii) except as provided above with respect to Product or Pricing Decisions, shall have reasonable discretion as to the manner and means of providing the Cantor Services. The applicable Cantor Party shall be responsible for maintenance of books and records and compliance with applicable securities laws, rules and regulations, as determined by the applicable Cantor Party. CFP and CF & Co shall be responsible for compliance with the reporting requirements under Regulation ATS and related provisions of the Securities Exchange Act of 1934, as amended. In that regard, CFP and CF & Co each will be the broker for all transactions in the respective matching systems, and each will determine the various non-discretionary parameters under which transactions match in their respective systems. eSpeed Securities and eSpeed GS shall cooperate with CFP and CF & Co in all regulatory compliance matters and, if applicable, in complying with Regulation ATS.

(f) Without limiting the authority of the parties in their respective areas of responsibility pursuant to paragraphs (d) and (e), the parties recognize the importance of providing an integrated and seamless service to customers. Accordingly, the parties shall consult diligently and in good faith, as and as often as necessary, to ensure that their respective services are properly integrated.

(g) All information and data, other than Information, created, developed, used in connection with or relating to the operation of and effecting of transactions in any Marketplace ("Data") shall constitute the sole property of the Cantor Parties or the eSpeed Parties, as applicable, on the following basis: (i) if the Data relates to

Financial Products, the Data shall belong solely to the Cantor Parties, (ii) if the Data relates to a Collaborative Marketplace in which only Products that are not Financial Products are traded, the ownership of the Data shall be determined by the Cantor Parties and the eSpeed Parties on a case-by-case basis based on good faith negotiations, (iii) if the Data relate to an eSpeed Marketplace in which only Products that are not Financial Products are traded, the Data shall belong solely to the eSpeed Parties and (iv) if the Data relate to a non- Collaborative Marketplace that is not an eSpeed Marketplace and in which Financial Products are traded, the Data shall belong solely to the Cantor Parties. All Information relating to Financial Products transmitted and disseminated on or through the Electronic Marketplace shall be the sole property of the Cantor Parties and, as between the parties, the Cantor Parties shall have the sole and exclusive right to use, publish and be compensated for Information Services in connection with or relating to such Information; provided, however, in the case of each Collaborative Marketplace that the eSpeed Parties shall have the right (without any obligation to pay the Cantor Parties therefor) to use such Information in connection with the execution of transactions in the applicable Collaborative Marketplace.

4. Sharing of Transaction Revenues. The Cantor Parties and the eSpeed Parties agree to share Transaction Revenues with regard to transactions effected through Marketplaces in the following manner:

(a) If (i) the Electronic Marketplace is a Collaborative Marketplace, (ii) the transaction relates to a Financial Product (other than a Financial Product that is traded on the Cantor Exchange) and (iii) no Cantor Party provides Voice Assisted Brokerage Services in connection with the transaction to which the Transaction Revenues relate (that is, the transaction is fully electronic), then the applicable eSpeed Party will receive the aggregate Transaction Revenues and will pay to CFLP a service fee equal to 35% of the Transaction Revenues.

(b) If (i) the Electronic Marketplace is a Collaborative Marketplace, (ii) the transaction relates to a Financial Product (other than a Financial Product that is traded on the Cantor Exchange) and (iii) a Cantor Party provides Voice Assisted Brokerage Services in connection with the transaction to which the Transaction Revenues relate, then the applicable Cantor Party will receive the aggregate Transaction Revenues and will pay to the applicable eSpeed Party a service fee equal to 7% of the Transaction Revenues.

(c) If (i) the Electronic Marketplace is a Collaborative Marketplace, (ii) the transaction relates to a Product that is traded on the Cantor Exchange and (iii) no Cantor Party provides Voice Assisted Brokerage Services in connection with the transaction to which the Transaction Revenues relate (that is, the transaction is fully electronic), then the applicable eSpeed Party will receive the aggregate Transaction Revenues and will pay to CFLP a service fee equal to 20% of the Transaction Revenues.

(d) If (i) the Electronic Marketplace is a Collaborative Marketplace, (ii) the transaction relates to a Product that is traded on the Cantor Exchange and (iii) a Cantor Party provides Voice Assisted Brokerage Services in connection with the transaction to which the Transaction Revenues relate, then the applicable eSpeed Party will receive the aggregate Transaction Revenues and will pay to the applicable Cantor Party a service fee equal to 55% of the Transaction Revenues.

(e) If (i) the Electronic Marketplace is a Collaborative Marketplace and (ii) the transaction relates to a Product that (x) is not a Financial Product and (y) is not traded on the Cantor Exchange, then the applicable Cantor Party and the applicable eSpeed Party will share Transaction Revenues in such manner as they shall agree.

(f) If (i) the Electronic Marketplace is an eSpeed Marketplace and (ii) the transaction relates to a Financial Product, then the applicable eSpeed Party will receive the aggregate Transaction Revenues and will pay to CFLP a service fee equal to 20% of the Transaction Revenues.

(g) If (i) the Electronic Marketplace is an eSpeed Marketplace and (ii) the transaction relates to a Product other than a Financial Product, then eSpeed will receive and retain all of the Transaction Revenues.

(h) If (i) a transaction is effected in a Marketplace that is not a Collaborative Marketplace and is not an eSpeed Marketplace, but that is a Marketplace in which Cantor provides Electronic Brokerage Services, and (ii) the transaction relates to a Financial Product, then Cantor will receive the aggregate Transaction Revenues and pay to eSpeed a service fee equal to 30% of the amount eSpeed would have received pursuant to Section 4 (a) or 4 (b) of this Agreement if the Marketplace had been a Collaborative Marketplace. For purposes of this paragraph (h), the Transaction Revenues shall be reduced by the costs incurred or paid by a Cantor Party to a third party to provide or arrange for the provision of Electronic Brokerage Services.

(i) If a transaction (i) is not effected through an Electronic Marketplace, but (ii) is electronically assisted (by way of example, but not limited to, a screen-assisted open outcry transaction), then the applicable Cantor Party will receive the aggregate Transaction Revenues and will pay to the applicable eSpeed Party 2.5% of the Transaction Revenues.

(j) Notwithstanding the foregoing, in the event that a Cantor Party's direct costs payable to third parties (other than the Cantor Parties and their affiliates) for providing Clearance, Settlement and Fulfillment Services with respect to a transaction in a Collaborative Marketplace with respect to any Financial Product for any month exceed the direct costs incurred by the Cantor Parties to clear and settle a cash transaction in United States Treasury securities for such month, the cost of such excess shall be borne pro rata by the applicable Cantor Party and the applicable eSpeed Party in the same proportion as the Transaction Revenues and service fees for such transaction are to be shared.

(k) For any month, for any Product for which sales and purchases during such month are effected both through fully electronic transactions and through voice-brokered transactions, Transaction Revenues earned with respect to such Product shall be allocated between fully electronic transactions and voice-brokered transactions as follows: the amount of Transaction Revenues attributable to fully electronic transactions or voice-brokered transactions, as the case may be, for such Product during such month in a Marketplace shall be equal to (x) total Transaction Revenues for such Product for such month in such Marketplace multiplied by (y) a fraction, the numerator of which is the notional volume (by currency) of all transactions in such specific Product type for such month in such Marketplace effected by fully electronic transactions or voice-brokered transactions, as the case may be, and the denominator of which is the notional volume (by currency) of all transactions in such specific Product type for such month in such Marketplace.

(l) In the event that a customer does not pay, or pays only a portion of, the Transaction Revenues relating to a transaction described in paragraphs (a) through (i) above (a "Loss Event"), then the relevant Cantor Party and the relevant eSpeed Party each shall bear its respective

share of the loss arising from the Loss Event in the same proportion as the Transaction Revenues and service fees for such transaction are to be shared.

(m) All amounts due and payable to a Cantor Party or an eSpeed Party by the other pursuant to this Section 4 shall be paid in the manner specified in Section 12 of this Agreement.

(n) In the event that any Tax is imposed on Transaction Revenues with respect to a transaction (other than a Tax on net income), the cost of such Tax will be borne by the applicable eSpeed Party and the applicable Cantor Party in the same proportion as the Transaction Revenues and service fees for such transaction are to be shared.

5. Ancillary IT Services.

(a) During the Term, the eSpeed Parties shall provide Ancillary IT Services to the Cantor Parties.

(b) CFLP shall pay to eSpeed in consideration for the Ancillary IT Services an amount equal to the direct and indirect, including overhead, costs that the eSpeed Parties incur in performing those services.

6. Representations and Warranties.

(a) Organization and Good Standing.

(i) Each Executing Cantor Party is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization, as the case may be. Each Executing Cantor Party has the requisite power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

(ii) Each Executing eSpeed Party is duly organized, validly existing and in good standing under the laws of the state or other jurisdiction of its incorporation or organization, as the case may be. Each Executing eSpeed Party has the requisite power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

(b) Authority; Binding Effect; No Conflicts.

(i) Each Executing Cantor Party has taken all necessary actions to authorize the execution and delivery of this Agreement and to perform all of its obligations under, and to consummate the transactions contemplated by, this Agreement. This Agreement has been duly and validly executed by each of the Executing Cantor Parties. This Agreement constitutes the valid and binding obligation of each of the Executing Cantor Parties enforceable against each of the Executing Cantor Parties in accordance with its terms, subject to the effect of reorganization, bankruptcy, insolvency, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally and court decisions with respect thereto, and subject to the application of equitable principles and the discretion of

the court (regardless of whether the enforceability is considered in a proceeding in equity or at law). The execution, delivery and performance by each of the Executing Cantor Parties of this Agreement shall not, with or without the giving of notice or the lapse of time or both, (x) violate any provision of any federal, state, local or foreign law, statute, rule or regulation to which any of the Executing Cantor Parties is subject, (y) violate any injunction, order, judgment, ruling, decree or settlement applicable to any of the Executing Cantor Parties or (z) conflict with, or result in a breach or violation of, any provision of the certificate of incorporation, by-laws, partnership agreement or similar governing document of any of the Executing Cantor Parties or any lease, contract, agreement, instrument, undertaking or covenant by which any of the Executing Cantor Parties is bound.

(ii) Each of the Executing eSpeed Parties has taken all necessary corporate actions to authorize, execute and deliver this Agreement and to perform all of its obligations under, and to consummate the transactions contemplated by, this Agreement. This Agreement has been duly and validly executed by each of the Executing eSpeed Parties. This Agreement constitutes the valid and binding obligation of each of the Executing eSpeed Parties enforceable against each of the Executing eSpeed Parties in accordance with its terms, subject to the effect of reorganization, bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally and court decisions with respect thereto, and subject to the application of equitable principles and the discretion of the court (regardless of whether the enforceability is considered in a proceeding in equity or at law). The execution, delivery and performance by each of the Executing eSpeed Parties of this Agreement and the consummation by each of the Executing eSpeed Parties of the transactions contemplated hereby will not, with or without the giving of notice or the lapse of time or both, (x) violate any provision of any federal, state or local law, statute, rule or regulation to which any of the Executing eSpeed Parties is subject, (y) violate any injunction, order, judgment, ruling, decree or settlement applicable to any of the Executing eSpeed Parties, or (z) conflict with, or result in a breach or violation of, any provision of the certificate of incorporation or by-laws of any of the Executing eSpeed Parties or any lease, contract, agreement, instrument, undertaking or covenant by which any of the Executing eSpeed Parties is bound.

(c) Litigation; No Undisclosed Liabilities. Except as disclosed in the Prospectus relating to eSpeed's initial public offering, there is no litigation pending or, to CFLP's knowledge, threatened, which questions the validity or enforceability of this Agreement or seeks to enjoin the consummation of any of the transactions contemplated hereby.

7. New Marketplaces; Non-competition; Strategic Alliances.

(a) If a Cantor Party wishes to create a new Marketplace for a Financial Product, then such Cantor Party may, by providing a New Market Notice to eSpeed, require eSpeed to provide, or cause another eSpeed Party to provide, Electronic Brokerage Services with respect to that Marketplace. In such a case, eSpeed shall use commercially reasonable efforts to develop an Electronic Trading System for, and to render Electronic Brokerage Services with respect to, that Marketplace under the terms of this Agreement. If eSpeed is able to develop and put into operation an Electronic Trading System for the Marketplace within 180 days, then the Marketplace shall be a Collaborative

Marketplace and the operation thereof shall be subject to the provisions of Section 3 of this Agreement. If, after diligent effort, eSpeed is unable to develop and put into operation an Electronic Trading System for the Marketplace within 180 days, then (i) eSpeed shall have no liability to any Cantor Party for its failure to provide an Electronic Trading System, (ii) the Cantor Party may create and operate the Marketplace in any manner that the Cantor Party deems to be acceptable and (iii) the Marketplace shall not be a Collaborative Marketplace. CFLP agrees that its proposal to create a New Marketplace and the requirements relating thereto will be commercially reasonable in scope and that CFLP or another Cantor Party will diligently pursue the development of such Marketplace in a meaningful way and that failure to do so within two years of the provision of the New Market Notice will cause any rights of the eSpeed Parties and the Cantor Parties in this Section 7 and Section 8 of this Agreement to revert to their original status.

(b) If a Cantor Party wishes to create a new Marketplace for a Financial Product that will involve the provision of Electronic Brokerage Services and the Cantor Party does not require eSpeed to operate an Electronic Trading System and to provide Electronic Brokerage Services for that Marketplace pursuant to paragraph (a) of this Section 7, then the Cantor Party shall provide to eSpeed a New Market Notice relating thereto and eSpeed shall have a right of first refusal to provide Electronic Brokerage Services with respect to that Marketplace under the terms of this Agreement. If eSpeed notifies the Cantor Party that it wishes to provide Electronic Brokerage Services with respect to the new Marketplace, then eSpeed shall use commercially reasonable efforts to develop and put into operation an Electronic Trading System for the Marketplace within 180 days. If eSpeed is able to develop and put into operation an Electronic Trading System for the Marketplace within 180 days, then the Marketplace shall be a Collaborative Marketplace and the operation thereof shall be subject to Section 3 of this Agreement. If, after diligent effort, eSpeed is unable to develop and put into operation an Electronic Trading System for the Marketplace within 180 days, or eSpeed notifies the Cantor Party that it does not wish to provide Electronic Brokerage Services with respect to the new Marketplace, then (i) the applicable Cantor Party may provide or obtain from a third party Electronic Brokerage Services for that Marketplace in any manner that the Cantor Party deems to be acceptable and (ii) the Marketplace shall not be a Collaborative Marketplace. CFLP agrees that its proposal to create a New Marketplace and the requirements relating thereto will be commercially reasonable in scope and that CFLP or another Cantor Party will diligently pursue the development of such Marketplace in a meaningful way and that failure to do so within two years of the provision of the New Market Notice will cause any rights of the eSpeed Parties and the Cantor Parties in this Section 7 and Section 8 of this Agreement to revert to their original status.

(c) If a Cantor Party wishes to create a new Electronic Marketplace for a Product that is not a Financial Product, then the Cantor Party shall provide to eSpeed a New Market Notice relating thereto. eSpeed or another eSpeed Party shall have the opportunity to offer to provide Electronic Brokerage Services with respect to the new Marketplace, which offer the Cantor Party shall review and negotiate in good faith, but may accept or reject in its reasonable discretion. If the Cantor Party accepts the eSpeed Party's negotiated terms of proposed offer to provide Electronic Brokerage Services, then the Marketplace shall be a Collaborative Marketplace and the operation thereof shall be subject to Section 3 of this Agreement on such terms as the applicable Cantor Party and the eSpeed Party shall agree. If the Cantor Party rejects the eSpeed Party's negotiated terms of proposed offer to provide Electronic Brokerage Services, then (i) the Marketplace shall not be a

Collaborative Marketplace and (ii) the Cantor Party may create and operate the Marketplace in any manner that the Cantor Party deems to be acceptable.

(d) If an eSpeed Party wishes to create a new Electronic Marketplace for a Financial Product, then the eSpeed Party shall provide to CFLP a New Market Notice relating thereto and CFLP or another Cantor Party shall have a right of first refusal to provide the applicable Cantor Services with respect to that Marketplace under the terms of this Agreement. If, within 30 days of receiving the New Market Notice, CFLP or another Cantor Party notifies the eSpeed Party that it wishes to provide such Cantor Services with respect to the new Marketplace, then the Marketplace shall be a Collaborative Marketplace and the operation thereof shall be subject to Section 3 of this Agreement. If (i) CFLP notifies the eSpeed Party that it does not wish to provide such Cantor Services or (ii) fails to notify the eSpeed Party within the 30-day time period that it wishes to provide such Cantor Services with respect to the new Marketplace, then the eSpeed Party may provide or obtain from a third party those services for that Marketplace in any manner that the eSpeed Party deems to be acceptable, and the Marketplace shall be an eSpeed Marketplace for purposes of this Agreement.

(e) If an eSpeed Party wishes to create a new Electronic Marketplace for a Product that is not a Financial Product, then the eSpeed Party shall provide to CFLP a New Market Notice relating thereto. CFLP or another Cantor Party shall have the opportunity to offer to provide Cantor Services with respect to the new Marketplace if, within 30 days of receiving the New Market Notice, CFLP or another Cantor Party notifies the eSpeed Party that it wishes to provide such Cantor Services with respect to the new Marketplace. The eSpeed Party shall review and negotiate the offer of CFLP or the other CFLP Party in good faith, but may accept or reject in its reasonable discretion. If the eSpeed Party accepts a Cantor Party's negotiated terms of proposed offer to provide Cantor Services, then the Marketplace shall be a Collaborative Marketplace and the operation thereof shall be subject to Section 3 of this Agreement on such terms as the applicable Cantor Party and the eSpeed Party shall agree. If the eSpeed Party rejects the Cantor Party's negotiated terms of proposed offer to provide Cantor Services, then (i) the Marketplace shall not be a Collaborative Marketplace and (ii) the eSpeed Party may create and operate the Marketplace in any manner that the eSpeed Party deems to be acceptable.

(f) No eSpeed Party shall, directly, indirectly or in connection with a third Person, engage in any activities competitive with a business activity now or hereafter conducted by a Cantor Party or provide or assist any other Person in providing any Cantor Service, other than (i) in collaboration with a Cantor Party pursuant to Section 3 of this Agreement, (ii) with respect to a new Marketplace involving a Financial Product, after CFLP (x) has indicated that it is unable or unwilling to provide such Cantor Service or
(y) fails to indicate to the eSpeed Party within the prescribed 30-day period that it does wish to provide such Cantor Service with respect to that Marketplace in accordance with paragraph (d) of this Section 7, (iii) with respect to a new Marketplace involving a Product that is not a Financial Product in accordance with paragraph (c) or paragraph (e) of this Section 7 or (iv) with respect to an Unrelated Dealer Business in which an eSpeed Party develops and operates a fully electronic Marketplace.

(g) No Cantor Party shall, directly, indirectly or in connection with a third Person, provide or assist any other Person in providing Electronic Brokerage Services, other than (i) in collaboration with eSpeed pursuant to Section 3 of this Agreement, (ii) with respect to a new

Marketplace, after eSpeed (x) has indicated that it is unable to develop and put into operation an Electronic Trading System with respect to that new Marketplace in accordance with paragraph (a) of this Section 7 or (y) has declined to exercise its right of first refusal or is unable to develop and put into operation an Electronic Trading System with respect to that new Marketplace in accordance with paragraph (b) of this Section 7, including, without limitation, the time period specified therein, or (iii) with respect to an Unrelated Dealer Business.

(h) Notwithstanding the foregoing and anything to the contrary in this Section 7, the Unrelated Dealer Businesses are expressly excluded from eSpeed's rights of first refusal under paragraph (b) and the conduct by any Cantor Party of any of the Unrelated Dealer Businesses shall not be deemed to be a violation of this Section 7.

(i) The Cantor Parties and the eSpeed Parties shall be entitled to and may enter into strategic alliances, joint ventures, partnerships or similar arrangements with Persons and consummate Business Combinations ("Alliance Opportunities") with Persons on the following basis only. If an Alliance Opportunity (i) relates to a Person that directly or indirectly provides Cantor Services and engages in business operations that do not involve Electronic Brokerage Services, then any Cantor Party shall be entitled to consummate a transaction with respect to such an Alliance Opportunity, (ii) relates to a Person that directly or indirectly provides Electronic Brokerage Services and engages in business operations that do not involve any Cantor Service, then any eSpeed Party shall be entitled to consummate a transaction with respect to such an Alliance Opportunity and (iii) is an Alliance Opportunity with respect to a Person other than those described in clauses (i) and (ii) above, then the Cantor Parties and the eSpeed Parties shall cooperate to jointly pursue and consummate a transaction with respect to such Alliance Opportunity on mutually agreeable terms. For purposes of this paragraph, a "Business Combination" shall mean, with respect to any Person, a transaction initiated by and/or in which a Cantor Party or an eSpeed Party is the acquiror involving (i) a merger, consolidation, amalgamation or combination, (ii) any sale, dividend, split or other disposition of any capital stock or other equity interests (or securities convertible into or exchangeable for or options or warrants to purchase any capital stock or other equity equivalents) of the Person, (iii) any tender offer (including without limitation a self-tender), exchange offer, recapitalization, liquidation, dissolution or similar transaction, (iv) any sale, dividend or other disposition of a significant portion of the assets and properties of the Person (even if less than all or substantially all of such assets or properties), and (v) entering into of any agreement or understanding, or the granting of any rights or options, with respect to any of the foregoing.

8. Exclusive Patent License.

Subject to the following sentence, CFLP hereby grants to eSpeed an exclusive, perpetual, irrevocable, worldwide, royalty-free right and license, with the right to sublicense to its subsidiaries and affiliates, under all patents and patent applications of CFLP related to Electronic Marketplaces, now known and existing, including all provisionals, divisionals, continuations, continuations-in-part, reissues and extensions derived therefrom, as well as all foreign patents and patent applications now known or pending and other counterparts thereof (the "Patent Rights"). The Cantor Parties agree to take all commercially reasonable actions requested by the eSpeed Parties, at the sole expense of the eSpeed Parties, to cause the Patent Rights to remain in full force and effect to the extent permitted by law. In the event that eSpeed (x) has indicated that it is unable to develop and put

into operation an Electronic Trading System with respect to a new Marketplace in accordance with paragraph (a) of Section 7 or (y) has declined to exercise its right of first refusal with respect to a new Marketplace in accordance with paragraph (b) of Section 7, then the Cantor Parties shall have a limited right to use the Patent Rights solely in connection with the operation of that new Marketplace. The Cantor Parties shall cooperate with eSpeed, at eSpeed's sole expense, in any attempt by eSpeed to prevent or otherwise seek remedies or damages which, in any case, shall inure to eSpeed for any third party infringement of the Patent Rights that are the subject of the license granted to eSpeed pursuant to this Section 8 or to defend against any third party claim relating to the Patent Rights.

9. Indemnification.

(a) CFLP's Indemnification Obligations. Subject to the terms and conditions of this Section 9, CFLP agrees to defend, indemnify and hold eSpeed, the other eSpeed Parties and their respective officers, directors, affiliates, agents, attorneys, employees and representatives harmless from and against any and all liabilities, losses, costs, damages, expenses, penalties, fines and taxes, including, without limitation, reasonable legal and other expenses (collectively, "Damages"), directly or indirectly arising out of, resulting from or relating to:

(i) any breach of any covenant, agreement or obligation of any Cantor Party contained in this Agreement; and

(ii) any liability resulting from CFLP broker errors and errors arising in connection with the provision by any Cantor Party of Clearance, Settlement and Fulfillment Services.

(b) eSpeed's Indemnification Obligations. Subject to the terms and conditions of this Section 9, eSpeed agrees to defend, indemnify and hold CFLP, the other Cantor Parties and their respective officers, directors, affiliates, agents, attorneys, employees and representatives harmless from and against any and all Damages directly or indirectly arising out of, resulting from or relating to:

(i) any breach of any covenant, agreement or obligation of any eSpeed Party contained in this Agreement;

(ii) any liability resulting from failures of eSpeed's technology and errors caused by the technology of the Electronic Marketplaces; and

(iii) any liability resulting from any claims asserted against Cantor with respect to an eSpeed Party's exercise of its Patent Rights.

(c) Claims for Indemnification; Defense of Indemnified Claims. For purposes of this Section, the party entitled to indemnification shall be referred to as the "Indemnified Party" and the party required to indemnify shall be referred to as the "Indemnifying Party." In the event that the Indemnifying Party shall be obligated to the Indemnified Party pursuant to this Section 9 or in the event that a suit, action, investigation, claim or proceeding is begun, made or instituted as a result of which the Indemnifying Party may become obligated to the Indemnified Party hereunder, the

Indemnified Party shall give prompt written notice to the Indemnifying Party of the occurrence of such event, specifying the basis for such claim or demand, and the amount or estimated amount thereof to the extent then determinable (which estimate shall not be conclusive of the final amount of such claim or demand); provided, however, that the failure to give such notice shall not constitute a waiver of the right to indemnification hereunder unless the Indemnifying Party is actually prejudiced in a material respect thereby. The Indemnifying Party agrees to defend, contest or otherwise protect the Indemnified Party against any such suit, action, investigation, claim or proceeding at the Indemnifying Party's own cost and expense with counsel of its own choice, who shall be, however, reasonably acceptable to the Indemnified Party. The Indemnifying Party may not make any compromise or settlement without the prior written consent of the Indemnified Party (which will not be unreasonably withheld or delayed) and the Indemnified Party shall receive a full and unconditional release reasonably satisfactory to it pursuant to such compromise or settlement. The Indemnified Party shall have the right but not the obligation to participate at its own expense in the defense thereof by counsel of its own choice. If requested by the Indemnifying Party, the Indemnified Party shall (at the Indemnifying Party's expense) (i) cooperate with the Indemnifying Party and its counsel in contesting any claim or demand which the Indemnifying Party defends, (ii) provide the Indemnifying Party with reasonable access during normal business hours to its books and records to the extent they relate to the condition or operation of a Marketplace and are requested by the Indemnifying Party to perform its indemnification obligations hereunder, and to make copies of such books and records, and (iii) make personnel available to assist in locating any books and records relating to a Marketplace or whose assistance, participation or testimony is reasonably required in anticipation of, preparation for or the prosecution and defense of, any claim subject to this Section 9. In the event that the Indemnifying Party fails timely to defend, contest or otherwise protect the Indemnified Party against any such suit, action, investigation, claim or proceeding, the Indemnified Party shall have the right to defend, contest or otherwise protect the Indemnified Party against the same and may make any compromise or settlement thereof and recover the entire cost thereof from the Indemnifying Party, including, without limitation, reasonable attorneys' fees, disbursements and all amounts paid as a result of such suit, action, investigation, claim or proceeding or compromise or settlement thereof.

(d) Payments; Non-Exclusivity. Any amounts due an Indemnified Party under this Section 9 shall be due and payable by the Indemnifying Party within fifteen (15) business days after (x) in the case of a claim which does not involve any third party, receipt of written demand therefor and (y) in the case of a claim which involves a third party, the final disposition of such claim or demand, provided that reasonable legal and other out-of-pocket costs and expenses are reimbursed currently within 15 business days after demand therefor. The remedies conferred in this Section 9 are intended to be without prejudice to any other rights or remedies available at law or equity to the Indemnified Parties, now or hereafter.

10. Relationship of the Parties. The relationship of the Cantor Parties on the one hand and the eSpeed Parties on the other hand is that of independent contractors. Pursuant to this Agreement, the Cantor Parties and the eSpeed Parties intend to render separate but related services to customers and to divide certain of the revenues arising from those services, but the parties do not intend to share profits or losses or to enter into or create any partnership, and no partnership or other like arrangement shall be deemed to be created hereby. None of the Cantor Parties or eSpeed Parties shall have any claim against the others or right of contribution with respect to any uninsured loss incurred by any of them nor shall any of them have a claim or right against the others with respect to

any loss that is deemed to be included within the deductible, retention or self-insured portion of any insured risk.

11. Audit. eSpeed may request a review, by those certified public accountants who examine CFLP's books and records, of CFLP's allocation of Transaction Revenues to eSpeed to determine whether such allocation was based upon the procedures set forth herein. Such a review is to be conducted at eSpeed's expense. CFLP may request a review, by those certified public accountants who examine eSpeed's books and records, of eSpeed's allocation of Transaction Revenues to CFLP to determine whether such allocation was based upon the procedures set forth herein. Such a review is to be conducted at CFLP's expense.

12. Invoicing and Billing; Payment of Service Fees. Each of eSpeed and CFLP shall pay to the other, within 30 days of the end of each calendar month, the amounts due and received to the Cantor Parties or the eSpeed Parties, as the case may be (determined in the manner provided in Section 4 of this Agreement), during that calendar month. eSpeed shall invoice CFLP for charges for Ancillary IT Services provided pursuant hereto on a monthly basis as incurred, such invoices to be delivered to CFLP by eSpeed within 15 days after the end of each calendar month. CFLP shall pay to eSpeed the aggregate charge for Ancillary IT Services provided under this Agreement in arrears within 30 days after the end of each calendar month. Amounts due by one party to another under this Agreement shall be settled against amounts due by the second party to the first under this or any other agreement. All payments to be made pursuant to this Agreement shall be exclusive of United Kingdom Value Added Tax which, if applicable to any payments hereunder, shall be added to the amount of, and be paid in addition to, such payments.

13. Documentation. All Transaction Revenues, service fees, fees for Ancillary IT services and other benefits hereunder shall be substantiated by and payments thereof shall be preceded or accompanied by, as applicable, appropriate schedules, invoices or other documentation.

14. Force Majeure. Any failure or omission by a party in the performance of any obligation under this Agreement shall not be deemed a breach of this Agreement or create any liability if the same arises from any cause or causes beyond the control of such party, including, but not limited to, the following, which, for purposes of this Agreement shall be regarded as beyond the control of each of the parties hereto: acts of God, fire, storm, flood, earthquake, governmental regulation or direction, acts of the public enemy, war, rebellion, insurrection, riot, invasion, strike or lockout; provided, however, that such party shall resume the performance whenever such causes are removed.

15. Post-Termination Payments. Notwithstanding any provision herein to the contrary, all payment obligations hereof shall survive the happening of any termination of this Agreement until all amounts due hereunder have been paid.

16. Confidentiality.

(a) CFLP and its affiliates agree to treat as confidential and not to disclose to any person (other than to CFLP employees who have a need to know the same for purposes of CFLP's performing its obligations hereunder) or use the same for its own benefit or for any purpose other than performing its obligations hereunder, all confidential or proprietary information, trade secrets,

information related to, and all subject matter covered by, any pending patent applications, data, plans, strategies, projections, budgets, reports, research, financial information, files, reports, software, agreements and other materials and information (individually and collectively, "Confidential Information") it receives, obtains or learns about eSpeed and its affiliates, an Electronic Marketplace or any other program, service, software or system eSpeed and/or CFLP develops in connection with this Agreement. CFLP shall notify those of its employees who perform services for eSpeed and its affiliates of this covenant and shall, to the extent practical, secure their agreement to abide by its terms.

(b) eSpeed and its affiliates agree, during the term of this Agreement, to treat as confidential and not to disclose to any person (other than to eSpeed employees who have a need to know the same for purposes of eSpeed's performing its obligations hereunder) or use the same for its own benefit or for any purpose other than performing its obligations hereunder, all Confidential Information it receives, obtains or learns about CFLP and its affiliates or any other program, service, software or system CFLP and/or eSpeed develops in connection with this Agreement. eSpeed shall notify those of its employees who perform services under this Agreement of this covenant and shall, to the extent practical, secure their agreement to abide by its terms.

(c) Notwithstanding the foregoing, neither party shall be obligated with respect to confidential or proprietary information that it can document: (i) is or has become readily publicly available through no fault of its own or that of its affiliates, employees or agents; or (ii) is received from a third party lawfully in possession of such information and lawfully empowered to freely disclose such information to it; or (iii) was lawfully in its possession, without restriction, after the date hereof.

17. Miscellaneous.

(a) This Agreement and all the covenants herein contained shall be binding upon the parties hereto, their respective heirs, successors, legal representatives and assigns. No party shall have the right to assign all or any portion of its rights, obligations or interests in this Agreement or any monies which may be due pursuant hereto without the prior written consent of the other affected parties and which consent may not be unreasonably withheld.

(b) No waiver by any party hereto of any of its rights under this Agreement shall be effective unless in writing and signed by an officer of the party waiving such right. No waiver of any breach of this Agreement shall constitute a waiver of any subsequent breach, whether or not of the same nature. This Agreement may not be modified except by a writing signed by officers of each of the parties hereto; provided, however, that each amendment, modification and/or waiver hereof or hereunder must be approved by a majority of the outside directors of eSpeed or the applicable eSpeed Party. For purposes of this Agreement, an outside director shall mean a director who is not an employee, partner or affiliate (other than solely by reason of being an eSpeed director) of eSpeed, CFLP or any of their respective affiliates.

(c) This Agreement constitutes the entire Agreement of the parties with respect to the services and benefits described herein, and cancels and supersedes any and all prior written or oral contracts or negotiations between the parties with respect to the subject matter hereof.

(d) This Agreement shall be strictly construed as independent from any other agreement or relationship between the parties.

(e) This Agreement is made pursuant to and shall be governed and construed in accordance with the laws of the State of New York, without regard to the principles of conflict of laws thereof.

(f) The descriptive headings of the several sections hereof are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

(g) Any notice, request or other communication required or permitted in this Agreement shall be in writing and shall be sufficiently given if personally delivered or if sent by registered or certified mail, postage prepaid, addressed as follows:

(i) If to a Cantor Party:

One World Trade Center, 105th Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-3620

(ii) If to an eSpeed Party:

One World Trade Center, 103rd Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-3620

The address of any party hereto may be changed on notice to the other parties hereto duly served in accordance with the foregoing provisions.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Joint Services Agreement to be executed in their respective names by their respective officers thereunto duly authorized, as of the date first written above.

CANTOR FITZGERALD, L.P.
By: CF Group Management, Inc.,
its Managing General Partner

By:

Name:

Title:

CANTOR FITZGERALD SECURITIES
By: Cantor Fitzgerald, L.P.
its Managing General Partner
By: CF Group Management, Inc.
its Managing General Partner

By:

Name:

Title:

CANTOR FITZGERALD & CO.
By: Cantor Fitzgerald Securities
its Managing General Partner
By: Cantor Fitzgerald, L.P.
its Managing General Partner
By: CF Group Management, Inc.
its Managing General Partner

By:

Name:

Title:

CANTOR FITZGERALD PARTNERS
By: Cantor Fitzgerald Securities
its Managing General Partner
By: Cantor Fitzgerald, L.P.
its Managing General Partner
By: CF Group Management, Inc.
its Managing General Partner

By:

Name:

Title:

CANTOR FITZGERALD INTERNATIONAL

By:

Name:

Title:

CANTOR FITZGERALD GILTS

By:

Name:

Title:

eSPEED, INC.

By:

Name:

Title:

eSPEED SECURITIES, INC.

By:

Name:

Title:

eSPEED GOVERNMENT SECURITIES, INC.

By:

Name:

Title:

eSPEED MARKETS, INC.

By:

Name:

Title:

eSPEED INTERNATIONAL, LIMITED

By:

Name:

Title:

ANNEX A

- o U.S. Government Securities
- o United Kingdom and European Government Bonds
- o Eurobonds
- o Corporate Bonds
- o U.S. Agency Securities
- o Emerging Market Government Bonds and Emerging Market Eurobonds
- o Global Repurchase Agreements and Reverse Repurchase Agreements (U.S., Europe and Emerging Market Countries)
- o U.S. Municipal Bonds
- o U.S. Treasury Futures

ADMINISTRATIVE SERVICES AGREEMENT

among

CANTOR FITZGERALD, L.P.,

eSPEED, INC.,

eSPEED SECURITIES, INC.,

eSPEED GOVERNMENT SECURITIES, INC.,

eSPEED MARKETS, INC.

and

eSPEED SECURITIES INTERNATIONAL LIMITED

Dated as of _____ __, 1999

ADMINISTRATIVE SERVICES AGREEMENT

This ADMINISTRATIVE SERVICES AGREEMENT is made and entered into as of _____, 1999, among CANTOR FITZGERALD, L.P., a Delaware limited partnership ("Cantor"), eSPEED, INC., a Delaware corporation ("eSpeed"), eSPEED SECURITIES, INC., a Delaware corporation and a wholly-owned subsidiary of eSpeed ("eSpeed Securities"), eSPEED GOVERNMENT SECURITIES, INC., a Delaware corporation and a wholly-owned subsidiary of eSpeed ("eSpeed GS"), eSPEED MARKETS, INC., a Delaware corporation and a wholly-owned subsidiary of eSpeed ("eSpeed Markets") and eSPEED SECURITIES INTERNATIONAL LIMITED, a limited company registered in England and Wales and a wholly-owned subsidiary of eSpeed ("eSpeed International"). References hereinafter to "eSpeed" shall mean eSpeed and/or one or more of eSpeed Securities, eSpeed GS, eSpeed Markets, eSpeed International and any other subsidiary of eSpeed that becomes a party to this Agreement in accordance with Section 17(i).

W I T N E S S E T H:

WHEREAS, eSpeed is a recently formed company, the capital stock of which is owned by affiliates of Cantor;

WHEREAS, Cantor and/or its affiliates currently provide(s) certain services, including office space, personnel and corporate services, such as cash management, internal audit, facilities management, promotional sales and marketing, legal, payroll, benefits administration and other administrative services and insurance services, to various financial services and securities firms in which Cantor has an ownership or management interest;

WHEREAS, Cantor is willing to provide or arrange for the provision of similar services to eSpeed, all upon the terms and conditions set forth herein;

WHEREAS, in the absence of obtaining such services from Cantor, eSpeed would require additional staff and would need to enhance its existing administrative infrastructure sooner than desirable;

WHEREAS, eSpeed will conduct directly much of its own sales and marketing functions and will provide certain sales and marketing services to Cantor, upon the terms and conditions set forth herein; and

WHEREAS, each of the parties hereto acknowledges that greater efficiencies and reduced costs are expected to be achieved from the economies of scale associated with the provision of

such services by Cantor to eSpeed and by eSpeed to Cantor in the manner provided herein during the term hereof;

NOW, THEREFORE, in consideration of the premises contained herein, it is agreed as follows (capitalized terms used and not defined herein have the meanings ascribed thereto in the Assignment and Assumption Agreement (for the transfer of certain assets in the United States of America), dated as of _____, 1999):

1. Term. The term of this Agreement shall commence at the Closing and shall remain in effect for a three-year period (the "Initial Term"). Thereafter, this Agreement shall be renewed automatically for successive one-year terms (the "Extended Term"), unless any party shall give written notice to the other parties of its desire to terminate this Agreement at least six months before the end of any such year ending during the Extended Term, in which event this Agreement shall end on the last day of such year. This Agreement may be terminated by a party as provided herein or, as provided in Section 14, with respect to a particular service or group of services only, in which case it shall remain in full force and effect with respect to the other services described herein. Notwithstanding the foregoing, the term of this Agreement with respect to any space made available to eSpeed by Cantor or CFI (as defined in Annex B), as the case may be, pursuant to Annex A and Annex B hereto shall be coterminous with the term of Cantor's lease with respect to such space, including any extension thereof. The Initial Term and the Extended Term are referred to herein as the "Term".

2. Insurance. During the Term hereof and upon the terms and conditions set forth herein, Cantor agrees to obtain for eSpeed the following insurance (i) in the United States of America (which insurance policy and amount provided below may be a single policy and an amount for eSpeed and Cantor combined), except as otherwise agreed by eSpeed and Cantor, and subject to Section 14 hereof, and (ii) or such insurance as is equivalent thereto in other jurisdictions, and in such amounts as Cantor and eSpeed shall agree:

(a) Property and casualty insurance, including insurance against all risks, except for standard policy exclusions, terms and conditions, for all buildings, fixtures, boilers and other mechanical systems, electronic data processing equipment and other equipment located at any eSpeed facility in an amount not less than $40 million or such greater amount as may be agreed from time to time;

(b) General liability insurance in an amount not less than $20 million;

(c) Officer and director liability insurance in an amount and having the terms and conditions that are typical for a newly-public company in eSpeed's industry;

(d) Business interruption insurance in the amount of $25 million;

(e) Fidelity bond, if necessary, of not less than $25 million; and

(f) Such other insurance as eSpeed and Cantor shall agree.

3. Services. During the Term hereof and upon the terms and conditions set forth herein,

(a) Cantor agrees to provide or, at Cantor's discretion, to arrange for third parties to provide, to eSpeed the following services:

(1) Administration and Benefits Services. Cantor shall administer each of the benefits and services referred to in Section 2 hereof and this Section 3.

(2) Employee Benefits, Human Resources and Payroll Services. Employees of eSpeed shall be entitled to participate in all employee benefit plans of Cantor to the extent permitted under applicable law. Cantor shall provide certain human resources services, which shall include interviewing prospective employees of eSpeed, maintaining employee personnel records, administering and disseminating information to employees of eSpeed regarding fringe benefits, monitoring EEOC and affirmative action compliance, training employees, administering and monitoring worker's compensation, monitoring labor relations, analyzing unemployment compensation costs and assisting in the establishment of procedures for hiring, promoting and terminating employees. In addition, Cantor shall provide certain payroll services, which shall include preparation of payroll checks for eSpeed employees and maintenance of employee payroll records, and making provision for the associated payroll for payments and similar charges.

(3) Financial and Operations Services. Cantor shall assist eSpeed executives in establishing and maintaining bank accounts, investing short-term funds, credit analysis, obtaining lines of credit, purchasing capital improvements (including supplies and equipment), providing technical advice as requested on commercial contracts and client/business development. In addition, Cantor shall assist eSpeed executives on all matters relating to acquisitions and mergers and other corporate expansion (including the leasing, purchasing and selling of real property and complementary businesses).

(4) Internal Auditing Services. Cantor shall provide internal auditing of corporate records and supply the relevant resulting audit reports

directly to eSpeed's Board of Directors and external auditors as requested by eSpeed from time to time.

(5) Legal Related Services. Cantor shall make available its in-house counsel and staff to provide legal advice and related services of a type currently provided by such persons to Cantor. Upon request, Cantor shall consult with eSpeed management on the legal impact of proposed transactions and on general collection matters. Cantor shall also advise and assist eSpeed with respect to compliance with regulatory matters and intellectual property matters. Cantor may, in its discretion, engage outside counsel and any other outside consultants to assist in the provision of legal and related services to eSpeed.

(6) Risk Management. Cantor shall assist eSpeed executives in attempting to obtain insurance programs and maintaining contacts and relationships with insurance brokers and insurance carriers, other than the insurance specifically provided for in Section 2 hereof.

(7) Accounting Services. Cantor's accounting department shall assist eSpeed's accounting departments and provide such general and specific accounting services, including management accounting services, assistance in the preparation of financial and regulatory statements, filings, such as Forms 10-K, 10-Q and 8-K, proxy statements and annual reports to stockholders, as the parties may, from time to time, agree.

(8) Tax Preparation. Cantor shall advise and assist eSpeed in (i) preparing and filing all tax returns for eSpeed, including federal, state and local corporate income taxes, state franchise taxes, local property taxes, state and local withholding taxes, value added tax quarterly returns and unemployment compensation taxes, (ii) preparing for discussions, meetings and proceedings with tax authorities, and (iii) planning with respect to tax liabilities.

(9) Space. Cantor shall make certain office space available to eSpeed at the cost and terms specified in Annex A and Annex B hereto.

(10) Personnel. Cantor shall make available to eSpeed the services of those individuals identified by each of them and at each of their reasonable request.

(11) Communication Facilities. Cantor or Parent shall provide access for the requesting party to any communication facilities (leased telephone lines or other data transmission lines, or other property owned or leased by Cantor or Parent, as the case may be, for any similar purpose).

(12) Facilities Management. Cantor shall provide facilities, management, maintenance and support services.

(13) Promotional Sales and Marketing. Cantor shall provide promotional sales and marketing services to eSpeed.

(14) Miscellaneous. Cantor shall provide such other miscellaneous services to eSpeed as the parties may reasonably agree.

(b) eSpeed agrees to provide or, at eSpeed's discretion, to arrange for third parties to provide, to Cantor the following services:

(1) Sales, Marketing and Public Relations. eSpeed shall maintain its own sales, marketing and public relations department and shall provide such sales, marketing and public relations services to Cantor as Cantor may from time to time request.

(2) Miscellaneous. eSpeed shall provide such other miscellaneous services to Cantor as the parties may agree.

4. Authority. Notwithstanding anything to the contrary contained in
Section 3 hereof, the parties hereto acknowledge and agree that each party shall provide the services set forth in Section 3 of this Agreement subject to the ultimate authority of eSpeed to control its own business and affairs. Each party acknowledges that the services provided hereunder by Cantor are intended to be administrative, technical and ministerial and are not intended to set policy for eSpeed.

5. Charges for Insurance. The insurance provided for in Section 2 shall be invoiced to and paid by eSpeed as follows:

The premiums for each of the insurance policies described in Section 2 shall be allocated to eSpeed by Cantor and shall be determined by multiplying Cantor's total actual insurance premiums for each such coverage by a fraction, (i) in the case of general liability or business interruption insurance, the numerator of which is the aggregate consolidated net revenues (determined in accordance with Generally Accepted Accounting Principles of the United States of America) of eSpeed and the denominator of which is the aggregate consolidated net revenues of Cantor plus any consolidated eSpeed

net revenues not included in Cantor's consolidated net revenues, excluding the revenues from any division or subsidiary which does not benefit from or which is not covered by the insurance to which these premiums relate, (ii) in the case of property and casualty insurance, the numerator of which is the number of employees of eSpeed and the denominator of which is the number of employees of eSpeed and Cantor's affiliates, and (iii) in the case of all others as mutually agreed to by eSpeed and Cantor.

6. Charges for Services. In consideration for providing the financial, administrative, sales and marketing, and operational services provided for in
Section 3 hereof, each party shall pay to the other the actual costs of such services, determined as follows:

Each party shall charge the other for such party's pro rata share of the aggregate costs actually incurred, including any applicable taxes, in connection with the provision of such services by the providing party based upon an amount equal to the direct cost that the providing party incurs in performing those services, plus a reasonable allocation of other costs determined in a consistent and fair manner so as to cover such providing party's appropriate costs or in such other manner as the parties shall agree. Such charges shall be determined on a monthly basis and shall be payable in accordance with Section 13 hereof. It is the intent of the parties hereto that each party shall reimburse the other for the costs and expenses (including overhead costs) reasonably incurred by the providing party in furnishing the aforesaid services to the requesting party. Each party may request and receive a review of the amount of such charges incurred for services performed for it by the providing party by giving such party written notice of its desire for such review.

7. Other Benefits and Services. From time to time, Cantor and eSpeed may agree to assist each other in the purchase of other benefits or services or in the purchase by eSpeed from or through Cantor of other benefits or services. In such event, the parties shall agree upon a mutually satisfactory basis of allocation of costs.

8. Exculpation and Indemnity; Other Interests.

(a) Cantor (including its partners, officers, directors and employees) shall not be liable to eSpeed or the stockholders of eSpeed for any acts or omissions taken or not taken in good faith on behalf of eSpeed and in a manner reasonably believed by Cantor to be within the scope of the authority granted to it by this Agreement and in the best interests of eSpeed, except for acts or omissions constituting fraud or willful misconduct in the performance of Cantor's duties under this Agreement. Notwithstanding the foregoing, Cantor shall be liable to eSpeed for any losses incurred by eSpeed in connection with the provision of Cantor's services hereunder to the extent Cantor is entitled to be reimbursed by an unaffiliated third party for any such liability. eSpeed shall indemnify, defend and hold harmless Cantor (and its partners, officers, directors and employees) from and against any and all claims or liabilities of any nature whatsoever (including consequential damages and reasonable attorney's fees) arising out of or in

connection with any claim against Cantor under or otherwise in respect of this Agreement, except where attributable to the fraud or willful misconduct of Cantor.

(b) eSpeed (including its officers, directors and employees) shall not be liable to Cantor or the partners of Cantor for any acts or omissions taken or not taken in good faith on behalf of Cantor and in a manner reasonably believed by eSpeed to be within the scope of the authority granted to it by this Agreement and in the best interests of Cantor, except for acts or omissions constituting fraud or willful misconduct in the performance of eSpeed's duties under this Agreement. Notwithstanding the foregoing, eSpeed shall be liable to Cantor for any losses incurred by Cantor in connection with the provision of eSpeed's services hereunder to the extent eSpeed is entitled to be reimbursed by an unaffiliated third party for any such liability. Cantor shall indemnify, defend and hold harmless eSpeed (and its stockholders, officers, directors and employees) from and against any and all claims or liabilities of any nature whatsoever (including consequential damages and reasonable attorney's fees) arising out of or in connection with any claim against eSpeed under or otherwise in respect of this Agreement, except where attributable to the fraud or willful misconduct of eSpeed.

(c) Nothing in this agreement shall prevent Cantor and its affiliates from engaging in or possessing an interest in other business ventures of any nature or description, independently or with others, whether currently existing or hereafter created, and none of eSpeed or any of their respective stockholders shall have any rights in or to such independent ventures or to the income or profits derived therefrom.

9. Relationship of the Parties. The relationship of Cantor and eSpeed, eSpeed Securities, eSpeed GS, eSpeed Markets and eSpeed International shall be that of contracting parties, and no partnership, joint venture or other arrangement shall be deemed to be created hereby. Except as expressly provided herein, none of Cantor, eSpeed, eSpeed Securities, eSpeed GS, eSpeed Markets or eSpeed International shall have any claim against the others or right of contribution with respect to any uninsured loss incurred by any of them nor shall any of them have a claim or right against the others with respect to any loss that is deemed to be included within the deductible, retention or self-insured portion of any insured risk.

10. Audit. Either party may request a review, by those certified public accountants who examine Cantor's or eSpeed's books and records, of the other party's cost allocation to the requesting party to determine whether such allocation is proper under the procedures set forth herein. Such a review is to be conducted at the requesting party's expense.

11. Documentation. Each party's charges to the other for all services and benefits hereunder shall be substantiated by appropriate schedules, invoices or other documentation.

12. Actual Cost. Any charges to the recipient for services or benefits provided by Cantor or eSpeed, as the case may be, or by third parties pursuant to Section 2 or 3 hereof shall be based upon rates not intended to provide a profit to Cantor or eSpeed.

13. Invoicing and Billing. Each party shall invoice the other for charges for services provided pursuant hereto on a monthly basis as incurred, such invoices to be delivered to the other within 15 days after the end of each calendar month. Such invoices may include third party charges incurred in providing services pursuant to Section 2 or 3 hereof or, at the invoicing party's option, services provided by one or more third parties may be invoiced directly to the recipient of those services. Each party shall pay to the other the aggregate charge for services provided under this Agreement in arrears within 30 days after the end of each calendar month. Amounts due by one party to another under this Agreement shall be netted against amounts due by the second party to the first under this or any other agreement.

14. Services by Third Parties. Except with respect to space made available to eSpeed pursuant to Annex A and Annex B, eSpeed (and Cantor, with respect to sales, marketing and public relations services) may, without cause, procure any of the services or benefits specified in Section 2 and/or Section 3 hereof from a third party or may provide such services or benefits for itself. Cantor (or eSpeed) shall discontinue providing such services or benefits upon written notice by the discontinuing party, delivered at least three months before the requested termination date.

15. Excused Performance. Cantor (and eSpeed, with respect to sales and marketing services) does not warrant that any of the services or benefits herein agreed to be provided shall be free of interruption caused by Acts of God, strikes, lockouts, accidents, inability to obtain third-party cooperation or other causes beyond Cantor's (or eSpeed's) control. No such interruption of services or benefits shall be deemed to constitute a breach of any kind whatsoever.

16. Post-Termination of Payments. Notwithstanding any provision herein to the contrary, all payment obligations hereof shall survive the happening of any event causing termination of this Agreement until all amounts due hereunder have been paid.

17. Miscellaneous.

(a) This Agreement and all the covenants herein contained shall be binding upon the parties hereto, their respective heirs, successors, legal representatives and assigns. No party shall have the right to assign all or any portion of its obligations or interests in this Agreement or any monies which may be due pursuant hereto without the prior written consent of the other parties.

(b) The rule known as the eiusdem generis rule shall not apply and accordingly:

(1) general words introduced by the words and phrases such as "include", "including", "other" and "in particular" shall not be given a restrictive meaning or limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible; and

(2) general words shall not be given a restrictive meaning by reason of the fact that such words are followed by particular examples intended to be embraced by the general words, and references to writing includes any method of reproducing words in a legible and non-transitory form.

(c) No waiver by any party hereto of any of its rights under this Agreement shall be effective unless in writing and signed by an officer of the party waiving such right. No waiver of any breach of this Agreement shall constitute a waiver of any subsequent breach, whether or not of the same nature. This Agreement may not be modified or amended except (i) by a writing signed by officers of each of the parties hereto and (ii) such modification or amendment is approved by a majority of the outside directors of the Board of Directors of eSpeed. For purposes of this Agreement, an outside director shall mean a director who is not an employee, partner or affiliate (other than solely by reason of being a director of eSpeed) of eSpeed, Cantor or any of their respective affiliates.

(d) This Agreement constitutes the entire Agreement of the parties with respect to the services and benefits described herein, and cancels and supersedes any and all prior written or oral contracts or negotiations between the parties with respect to the subject matter hereof.

(e) This Agreement shall be strictly construed as independent from any other agreement or relationship between the parties.

(f) This Agreement is made pursuant to and shall be governed and construed in accordance with the laws of the State of New York, without regard to the principles of conflict of laws thereof.

(g) The descriptive headings of the several sections hereof are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

(h) Any notice, request or other communication required or permitted in this Agreement shall be in writing and shall be sufficiently given if personally delivered or if sent by registered or certified mail, postage prepaid, addressed as follows:

(i) If to Cantor:

One World Trade Center, 105th Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-2464

(ii) If to eSpeed:

One World Trade Center, 103rd Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-2464

(iii) If to eSpeed Securities:

One World Trade Center, 103rd Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-2464

(iv) If to eSpeed GS:

One World Trade Center, 103rd Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-2464

(v) If to eSpeed Markets:

One World Trade Center, 103rd Floor New York, NY 10048 Attention: General Counsel Facsimile: (212) 938-2464

(v) If to eSpeed Securities International:

One America Square London, United Kingdom EC3N 2LS Attention: Managing Director Facsimile: (011) 44-171-894-7225

The address of any party hereto may be changed on notice to the other parties hereto duly served in accordance with the foregoing provisions.

(h) The parties of this Agreement understand and agree that any or all of the obligations of Cantor set forth herein may be performed by Cantor or any of its subsidiaries, other than eSpeed or any of eSpeed's subsidiaries. In addition, Cantor may cause any or all of the benefits due to Cantor to be received by any of its subsidiaries, other than eSpeed or any of eSpeed's subsidiaries.

(i) Any subsidiary of eSpeed may become a party to this Agreement by signing a counterpart of this Agreement and agreeing to be bound by all of the terms and conditions of this Agreement as of the date of its signature of such counterpart.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Administrative Services Agreement to be executed in their respective names by their respective officers thereunto duly authorized, as of the date first written above.

CANTOR FITZGERALD, L.P.
By: CF Group Management, Inc.
Its General Partner

By:

Name:

Title:

eSPEED, INC.

By:

Name:

Title:

eSPEED SECURITIES, INC.

By:

Name:

Title:

eSPEED GOVERNMENT SECURITIES, INC.

By:

Name:

Title:

eSPEED MARKETS, INC.

By:

Name:

Title:

Signed by, for and on behalf of

eSPEED SECURITIES
INTERNATIONAL LIMITED

By:

Name:

Title:

ANNEX A

Space Sharing

(a) License to Use Space. During the term of this Agreement, Cantor shall permit eSpeed to use a portion of Cantor's (or any of its subsidiaries' or affiliates') offices ("Cantor's Offices") for the purposes permitted under the lease agreements pursuant to which either Cantor or such subsidiary or affiliate leases such offices (to the extent such offices are leased), subject to the terms and conditions set forth in this Agreement for a term coterminous with respect to any respective lease. The space to be used by eSpeed shall be initially as shown below, but may be expanded or contracted if and as mutually agreed by the parties from time to time.

(b) Consideration. So long as eSpeed uses any portion of Cantor's Offices, eSpeed shall pay to Cantor on the first day of each calendar month with respect to each such Cantor's office an amount equal to the product of (X) the average rate per square foot then being paid by Cantor (or any of its affiliates) for the specific Cantor's Office, and (Y) the number of square feet agreed to pursuant to paragraph (a) above, in each case determined in the same manner as rent is computed under the relevant lease, or if the office(s) are owned by Cantor, in an amount and in the same manner as the parties agree is customary for commercial leases of similar offices. Payments for any partial calendar month shall be prorated on a per diem basis.

(c) Compliance with Leases. eSpeed hereby agrees not to take any action or fail to take any action in connection with its use of a portion of Cantor`s Offices a result of which would be Cantor's violation of any of the terms and conditions of any lease or other restriction on Cantor's use of such offices. eSpeed agrees to comply with the terms and provisions of any such leases for Cantor's Offices in which it or they use space.

Initial Square Footage to be used by eSpeed

1. Toronto 320
2. Montreal 8
3. Milan 600
4. Frankfurt 350
5. Tokyo 600
6. Hong Kong 225
7. Singapore 8

ANNEX B (London)

Space Sharing for One America Square, London

(a) License to share space. During the term of this Agreement, and for so long only as eSpeed remains a company which is within the same group as Cantor Fitzgerald International ("CFI"), eSpeed may share with CFI the occupation of the whole or any part of CFI's premises at One America Square ("CFI's Offices") for the purposes permitted under the tenancies pursuant to which CFI leases the CFI Offices, subject to the terms set out in this Annex B. The space to be shared by eSpeed and CFI shall be initially as shown below, but may be expanded or contracted if and as mutually agreed by the parties from time to time. At the request of CFI, eSpeed shall vacate the CFI Offices immediately upon ceasing to belong to the same group as CFI. In this Annex B, a company is any body corporate and two companies are within the same group as one another if one company is the holding company of another or if both are subsidiaries of the same holding company ("holding company" and "subsidiary" having the meanings given to them by Section 736 UK Companies Act 1985).

(b) Consideration. So long as eSpeed shares any part of the CFI Offices, eSpeed shall pay to Cantor, on behalf of CFI, on the first day of each calendar month with respect to each such CFI Office an amount equal to the product of (X) the average rate per square foot then being paid by CFI for the specific CFI Office (such amount to include rent and any service charge, insurance charge, rates and other outgoings of CFI) and (Y) the number of square feet agreed pursuant to paragraph (a) above. Payments for any partial calendar month shall be prorated on a daily basis.

(c) Compliance with leases. eSpeed hereby agrees not to take any action or fail to take any action in connection with its sharing of any part of the CFI Offices as a result of which would be CFI's breach of any of the terms and conditions of any lease or other restriction or obligation affecting CFI's use of such offices. eSpeed agrees to comply with the terms and provisions of any such leases of the CFI Offices in which it shares space. There is no intention to create between eSpeed, Cantor and/or CFI the relationship of lessor and lessee in relation to the CFI Offices.

Initial Square Footage to be used by eSpeed

TOTAL 18,550

EXECUTION COPY

REGISTRATION RIGHTS AGREEMENT

between

eSpeed, INC.

and

THE INVESTORS NAMED HEREIN

TABLE OF CONTENTS

REGISTRATION RIGHTS AGREEMENT (this "Agreement") dated as of _____ between eSpeed, Inc., a Delaware corporation (the "Company"), and the other parties that have executed the signature pages hereto (the "Initial Investors") or otherwise execute a joinder agreement and become a party hereto (collectively, the "Investors").

RECITALS

WHEREAS, the Company and the Initial Investors have entered into an Assignment and Assumption Agreement, dated as of the date hereof, pursuant to which the Company issued certain securities to each of the Initial Investors;

NOW THEREFORE, in consideration of the mutual covenants and agreements and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEMAND REGISTRATIONS

1.1 Requests for Registration. Subject to Sections 1.2 and 1.3 hereof, the Required Investors may request, in writing, registration under the Securities Act of all or part of their Registrable Securities. Within twenty
(20) days after receipt of any such request, the Company will give notice of such request to all other Investors. Thereafter, the Company will use all reasonable efforts to effect the registration under the Securities Act (i) on Form S-1 or any similar long-form registration statement (a "Long-Form Registration") or (ii) on Form S-3 or any similar short-form registration statement (a "Short-Form Registration") if the Company qualifies to effect a Short Form Registration, and will include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within twenty (20) days after the receipt of the Company's notice, subject to the provisions of Section 1.4. All registrations requested pursuant to this Section 1.1 are referred to herein as "Demand Registrations". The Company shall not be required to effect any Demand Registration requested by a Required Investor if either (a) within the six (6) months preceding the receipt by the Company of such request, the Company has filed a registration statement to which the Piggyback Registration rights set forth in Article II hereof apply or (b) such Required Investor may sell all of the Registrable Securities requested to be included in such Demand Registration without registration under the Securities Act, pursuant to the exemption provided by (i) Rule 144(k) under the Securities Act, as such rule may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the Commission.

1.2 Number of Demand Registrations; Expenses. Subject to Sections 1.1 and 1.3 hereof, the Required Investors shall be entitled to an aggregate of three (3) Demand

Registrations, with no more than one (1) of such Demand Registrations being a Long-Form Registration; provided, however, that the Company need not effect any requested Demand Registration unless the expected proceeds of such registration exceed [$1,000,000.] The Company will pay all Registration Expenses in connection with any Demand Registration, including any Registration Statement that is not deemed to be effected pursuant to the provisions of Section 1.3 hereof.

1.3 Effective Registration Statement. A registration requested pursuant to Section 1.1 of this Agreement shall not be deemed to have been effected (i) unless a Registration Statement with respect thereto has been declared effective by the Commission, (ii) if after it has become effective, such registration is interfered with by any stop order, injunction or other order or requirement of the Commission or other governmental agency or court for any reason, and, as a result thereof, the Registrable Securities covered thereby have not been sold or (iii) the Registration Statement does not remain effective for a period of at least 180 days beyond the effective date thereof or, with respect to an underwritten offering of Registrable Securities, until ninety (90) days after the commencement of the distribution by the holders of the Registrable Securities included in such Registration Statement. If a registration requested pursuant to this Article I is deemed not to have been effected as provided in this Section 1.3, then the Company shall continue to be obligated to effect the number of Demand Registrations set forth in Section 1.2 without giving effect to such requested registration.

1.4 Priority on Demand Registrations. If the Company includes in any underwritten Demand Registration any securities which are not Registrable Securities and the managing underwriters advise the Company in writing that in their opinion the number of Registrable Securities and other shares of Common Stock proposed to be included exceeds the number of Registrable Securities and other securities which can be sold in such offering, the Company will first include in such registration, to the exclusion of any other securities, the number of Registrable Securities requested to be included which, in the opinion of such underwriters, can be sold, pro rata among the Investors on the basis of the amount of Registrable Securities requested to be offered thereby.

1.5 Subsequent Registration Rights. From and after the date of this Agreement, in the event the Company shall, without the written consent of a majority of the holders of Registrable Securities, enter into any agreement with holders or a prospective holder of any securities of the Company giving such holder or prospective holder registration rights the terms of which are more favorable in the aggregate than the registration rights granted to the holders of Registrable Securities hereunder, the Company shall notify the holders of Registrable Securities of such more favorable terms and this agreement shall be modified to reflect such terms.

ARTICLE II
PIGGYBACK REGISTRATIONS

2.1 Right to Piggyback. Following the closing of the Public Offering, whenever the Company proposes to register any of its equity securities under the Securities Act (other than pursuant to a Demand Registration and other than for use in a Rule 145 transaction or for registrations for employee plans) and the registration form to be used may be used for the registration of Registrable Securities (a "Piggyback Registration"), the Company will give notice to all Investors of its intention to effect such a registration and will include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within fifteen (15) days after the receipt of the Company's notice, subject to the provisions of Section 2.3 and 2.4 hereof. Such requests for inclusion shall specify the number of Registrable Securities intended to be disposed of and the intended method of distribution thereof.

2.2 Piggyback Expenses. The Registration Expenses of the Investors will be paid by the Company in all Piggyback Registrations.

2.3 Priority on Primary Registrations. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering, the Company will include in such registration (i) first, the securities the Company proposes to sell, (ii) second, that number of the Registrable Securities proposed to be included in such registration, pro rata among the respective holders thereof based upon the total number of shares which such holders proposed to include in such registration and (iii) that number of other shares of Common Stock proposed to be included in such registration, pro rata among the respective holders thereof based upon the total number of shares which such holders propose to include in such registration.

2.4 Priority on Secondary Registrations. If a Piggyback Registration is not a Demand Registration pursuant to Article I hereof but is an underwritten secondary registration on behalf of holders (other than the Investors) of the Company's securities, and the managing underwriters advise the Company that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering, the Company will include in such registration (i) first, the number of shares of Common Stock requested to be included by holders and (ii) second, the Registrable Securities requested to be included in such registration by the Investors pro rata based upon the number of shares which such Investors requested to be included.

ARTICLE III
HOLDBACK AGREEMENTS

Holdback Obligations. Each holder of Registrable Securities agrees not to effect any public sale or distribution of equity securities of the Company, or any securities convertible, exchangeable or exercisable for or into such securities, during the fifteen (15) days prior to, and the 90-day period beginning on, the effective date of any underwritten Demand Registration (except as part of such underwritten registration), unless (i) the managing underwriters of the registered public offering otherwise agree or (ii) the executive officers, directors and 10% stockholders of the Company shall not be similarly restricted.

ARTICLE IV
REGISTRATION PROCEDURES

Whenever holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company will use reasonable efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof as quickly as possible, and pursuant thereto the Company will as expeditiously as reasonably possible:

(a) prepare and file with the Commission a Registration Statement with respect to such Registrable Securities and use all reasonable efforts to cause such Registration Statement to become and remain effective until the completion of the distribution contemplated thereby; provided, that as promptly as practicable before filing a Registration Statement or Prospectus or any amendments or supplements thereto, the Company will (i) furnish to counsel selected by the holders of Registrable Securities copies of all such documents proposed to be filed and (ii) notify each holder of Registrable Securities covered by such Registration Statement of (x) any request by the Commission to amend such Registration Statement or amend or supplement any Prospectus, or (y) any stop order issued or threatened by the Commission, and take all reasonable actions required to prevent the entry of such stop order or to promptly remove it if entered;

(b) (i) prepare and file with the Commission such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement and (ii) comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement;

(c) furnish to each seller of Registrable Securities, without charge, such number of conformed copies of such Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus and, in each case including all exhibits) and such other documents as such seller may

reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

(d) use all reasonable efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions in the United States as any seller thereof shall reasonably request, to keep such registration or qualification in effect for so long as such Registration Statement remains in effect and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller; provided, however, that the Company will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this clause (d), (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction;

(e) use all reasonable efforts (if the offering is underwritten) to furnish to each seller of Registrable Securities a signed copy, addressed to such seller (and the underwriters, if any) of an opinion of counsel for the Company or special counsel to the selling stockholders, dated the effective date of such Registration Statement (and, if such Registration Statement includes an underwritten public offering, dated the date of the closing under the underwriting agreement), covering substantially the same matters with respect to such Registration Statement (and the Prospectus included therein) as are customarily covered in opinions of issuer's counsel delivered to the underwriters in underwritten public offerings, and such other legal matters as the seller (or the underwriters, if any) may reasonably request;

(f) notify each seller of Registrable Securities, at a time when a Prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event known to the Company as a result of which the Prospectus included in such Registration Statement, as then in effect, contains an untrue statement of a material fact or omits to state any fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, at the request of any such seller, the Company will prepare and furnish such seller a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) cause all such Registrable Securities to be listed on each securities exchange and quotation system on which similar securities issued by the Company are then listed and, if such securities are not then listed on a national securities exchange or the Nasdaq Stock Market, cause them to be so listed or qualified; provided, that the Company then meets or is reasonably capable of meeting the eligibility requirements for such an exchange or system and such exchange or system is reasonably satisfactory to the managing underwriters, and to enter

into such customary agreements as may be required in furtherance thereof, including, without limitation, listing applications and indemnification agreements in customary form;

(h) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement;

(i) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement to enable them to conduct a reasonable investigation within the meaning of the Securities Act;

(j) subject to other provisions hereof, use all reasonable efforts to cause such Registrable Securities covered by such Registration Statement to be registered with or approved by such other governmental agencies or authorities or self-regulatory organizations as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities; and

(k) promptly notify the holders of the Registrable Securities of the issuance of any stop order by the Commission or the issuance by any state securities commission or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Securities under state securities or "blue sky" laws, and use every reasonable effort to obtain the lifting at the earliest possible time of any stop order suspending the effectiveness of any Registration Statement or of any order preventing or suspending the use of any preliminary Prospectus.

ARTICLE V
REGISTRATION EXPENSES

5.1 Registration Expenses. All registration and filing fees, fees and expenses of compliance with securities or blue sky laws (including the fees and expenses of counsel in connection with blue sky qualifications of the Registrable Securities), printing expenses, listing fees for securities to be registered on a national securities exchange or the Nasdaq Stock Market and all independent certified public accountants, underwriters (excluding discounts and commissions) and other Persons retained by the Company and reasonable fees and expenses of one counsel to the holders representing more than 50% of the Registrable Securities registered in connection with the subject registration (all such expenses being herein called "Registration Expenses"), will be borne as provided in Sections 1.2 and 2.2 of this Agreement.

5.2 Sellers' Expenses. The Company shall have no obligation to pay any underwriting discounts or commissions attributable to the sale of Registered Securities, which expenses will be borne by all sellers of securities included in such registration in proportion to the aggregate selling price of the securities to be so registered.

ARTICLE VI
UNDERWRITTEN OFFERINGS

6.1 Underwriting Agreement. If requested by the underwriters for any underwritten offering of Registrable Securities pursuant to a Demand Registration, the Company will enter into an underwriting agreement with such underwriters for such offering, such agreement to contain such representations and warranties by the Company and such other terms as are generally included in agreements of this type, including, without limitation, indemnities customarily included in such agreements. The holders of the Registrable Securities will cooperate in good faith with the Company in the negotiation of the underwriting agreement.

6.2 Obligations of Participants in Underwritten Offerings. No Person may participate in any underwritten registration hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements, escrow agreements and other documents required under the terms of such underwriting arrangements and consistent with the provisions of this Agreement.

ARTICLE VII
INDEMNIFICATION

7.1 Company's Indemnification Obligations. The Company agrees to indemnify and hold harmless each of the holders of any Registrable Securities covered by any Registration Statement referred to herein and each other Person, if any, who controls such holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, the "Holder Indemnitees"), as follows:

(i) against any and all loss, liability, claim, damage or expense arising out of or based upon an untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment or supplement thereto), including all documents incorporated therein by reference, or in any preliminary Prospectus or Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense to the extent of the aggregate amount paid in settlement of any litigation, investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim based upon any such untrue statement or omission or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all expense incurred by them in connection with investigating, preparing or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim based upon any such untrue statement or omission or any such alleged untrue statement or omission, to the extent that any such expense is not paid under clause (i) or (ii) above;

provided, that this indemnity does not apply to any loss, liability, claim, damage or expense to the extent arising out of an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with information furnished to the Company by or on behalf of any holder expressly for use in the preparation of any Registration Statement (or any amendment or supplement thereto), including all documents incorporated therein by reference, or in any preliminary Prospectus or Prospectus (or any amendment or supplement thereto); and provided further, that the Company will not be liable to any holder or any other Holder Indemnitee under the indemnity agreement in this Section 7.1 with respect to any preliminary Prospectus or the final Prospectus or the final Prospectus as amended or supplemented, as the case may be, to the extent that any such loss, liability, claim, damage or expense of such Holder Indemnitee results from the fact that such holder sold Registrable Securities to a Person to whom there was not sent or given, at or prior to the written confirmation of such sale, a copy of the final Prospectus or of the final Prospectus as then amended or supplemented, whichever is most recent, if the Company has previously and timely furnished copies thereof to such holder.

7.2 Holder's Indemnification Obligations. In connection with any Registration Statement in which a holder of Registrable Securities is participating, each such holder agrees to indemnify and hold harmless (in the same manner and to the same extent as set forth in Section 7.1 of this Agreement) the Company and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act with respect to any statement or alleged statement in or omission or alleged omission from such Registration Statement, any preliminary, final or summary Prospectus contained therein, or any amendment or supplement thereto, if such statement or alleged statement or omission or alleged omission was made about such holder in reliance upon and in conformity with information furnished to the Company by or on behalf of such holder. The obligations of each holder pursuant to this Section 7.2 are to be several and not joint; provided, that, with respect to each claim pursuant to this Section 7.2, each such holder's maximum liability under this Section shall be limited to an amount equal to the net proceeds actually received by such holder (after

deducting any underwriting discount and expenses) from the sale of Registrable Securities being sold pursuant to such Registration Statement or Prospectus by such holder.

7.3 Notices; Defense; Settlement. Promptly after receipt by an indemnified party hereunder of written notice of the commencement of any action or proceeding involving a claim referred to in Section 7.1 or Section 7.2 of this Agreement, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action; provided, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under Section 7.1 or Section 7.2 of this Agreement except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, the indemnifying party will be entitled to participate in and to assume the defense thereof, jointly with any other indemnifying party similarly notified, to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, in which case the indemnifying party shall not be liable for the fees and expenses of (i) more than one counsel for all holders of Registrable Securities, selected by the Required Investors or (ii) more than one counsel for the Company in connection with any one action or separate but similar or related actions. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim, in which event the indemnifying party shall be obligated to pay the fees and expenses of such additional counsel or counsels. The indemnifying party will not, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not such indemnified party or any Person who controls such indemnified party is a party to such claim, action, suit or proceeding), unless such settlement, compromise or consent includes an unconditional release of such indemnified party from all liability arising out of such claim, action, suit or proceeding. Notwithstanding anything to the contrary set forth herein, and without limiting any of the rights set forth above, in any event any party will have the right to retain, at its own expense, counsel with respect to the defense of a claim.

7.4 Indemnity Provision. The Company and each holder of Registrable Securities requesting registration shall provide for the foregoing indemnity (with appropriate modifications) in any underwriting agreement with respect to any required registration or other qualification of securities under any Federal or state law or regulation of any governmental authority other than the Securities Act.

7.5 Contribution Based on Relative Fault. If the indemnification provided for in Sections 7.1 and 7.2 of this Agreement is unavailable or insufficient to hold harmless an indemnified party under such Sections, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in Section 7.1 or Section 7.2 of this Agreement in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand, and the indemnified party on the other, in connection with statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations, including, without limitation, the relative benefits received by each party from the offering of the securities covered by such Registration Statement, the parties' relative knowledge and access to information concerning the matter with respect to which the claim was asserted and the opportunity to correct and prevent any statement or omission. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statements or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 7.5 were to be determined by pro rata or per capita allocation (even if the underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the first sentence of this Section 7.5. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this Section 7.5 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim (which shall be limited as provided in Section 7.3 of this Agreement if the indemnifying party has assumed the defense of any such action in accordance with the provisions thereof) which is the subject of this Section 7.5. Promptly after receipt by an indemnified party under this Section 7.5 of notice of the commencement of any action against such party in respect of which a claim for contribution may be made against an indemnifying party under this Section 7.5, such indemnified party shall notify the indemnifying party in writing of the commencement thereof if the notice specified in Section 7.3 of this Agreement has not been given with respect to such action; provided, that the omission to so notify the indemnifying party shall not relieve the indemnifying party from any liability which it may otherwise have to any indemnified party under this
Section 7.5, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. The Company and each holder of Registrable Securities agrees with each other and the underwriters of the Registrable Securities, if requested by such underwriters, that (i) the underwriters' portion of such contribution shall not exceed the underwriting discount and (ii) that the amount of such contribution shall not exceed an amount equal to the net proceeds actually received by such indemnifying party from the sale of Registrable Securities in the offering to which the losses, liabilities, claims, damages or expenses of the indemnified parties relate. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

7.6 Payments. The indemnification required by this Article VII shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

ARTICLE VIII
DEFINITIONS

8.1 Terms. As used in this Agreement, the following defined terms shall have the meanings set forth below:

"Business Day" means a day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

"Class A Common Stock" means the Class A Common Stock, par value $.01 per share, of the Company and any securities into which the Class A Common Stock shall have been changed or any securities resulting from any reclassification or recapitalization of the Class A Common Stock.

"Class B Common Stock" means the Class B Common Stock, par value $.01 per share, of the Company and any securities into which the Class B Common Stock shall have been changed or any securities resulting from any reclassification or recapitalization of the Class B Common Stock.

"Commission" means the U.S. Securities and Exchange Commission.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any similar Federal statute then in effect, and any reference to a particular section thereof shall include a reference to the equivalent section, if any, of any such similar Federal statute, and the rules and regulations thereunder.

"Person" means any individual, corporation, partnership, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Prospectus" means the Prospectus included in any Registration Statement (including without limitation, a Prospectus that disclosed information previously omitted from a Prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any Prospectus supplement, with respect to the terms of the offering of any portion of the securities covered by such Registration Statement, and all other amendments and supplements to the Prospectus,

including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"Public Offering" means the consummation of the initial underwritten public offering of Class A Common Stock registered under the Securities Act of 1933, as amended.

"Registrable Securities" means (i) the Class A Common Stock issued or issuable at any time to an Initial Investor, including, without limitation, in connection with the conversion of any Class B Common Stock into Class A Common Stock or the exercise of any warrant or option to purchase any Class A Common Stock and (ii) any securities issued or issuable with respect to such shares of Class A Common Stock in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization. Registrable Securities will continue to maintain their status as Registrable Securities in the hands of any transferee from an Initial Investor provided such transferee executes a joinder agreement described by Section 9.11. As to any particular Registrable Securities, such securities will cease to be Registrable Securities when they have been (x) effectively registered under the Securities Act and disposed of in accordance with the registration statement covering them or (y) transferred pursuant to Rule 144 (or any similar rule then in force) under the Securities Act or otherwise transferred and, in each case, new certificates for them not bearing a restrictive Securities Act legend have been delivered by the Company and can be sold without complying with the registration requirements of the Securities Act.

"Registration Statement" means any Registration Statement of the Company which covers any of the Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference in such Registration Statement.

"Required Investors" means, as of the date of any determination thereof, the holders of Registrable Securities representing an aggregate of not less than 25% (by number of shares) of all Registrable Securities.

"Securities Act" means the Securities Act of 1933, as amended, or any similar Federal statute then in effect, and any reference to a particular section thereof shall include a reference to a comparable section, if any, of any such similar Federal statute, and the rules and regulations thereunder.

8.2 Defined Terms in Corresponding Sections. The following defined terms, when used in this Agreement, shall have the meaning ascribed to them in the corresponding Sections of this Agreement listed below:

"Agreement"	--	Preamble
"Company"	--	Preamble
"Demand Registrations"	--	Section 1.1
"Holder Indemnitees"	--	Section 7.1
"Long-Form Registration"	--	Section 1.1
"Piggyback Registration"	--	Section 2.1
"Registration Expenses"	--	Section 5.1
"Short-Form Registration"	--	Section 1.1
"Initial Investors"	--	Preamble
"Investors"	--	Preamble

ARTICLE IX
MISCELLANEOUS

9.1 Remedies. In the event of a breach by any party to this Agreement of its obligations under this Agreement, any party injured by such breach, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The parties agree that the provisions of this Agreement shall be specifically enforceable, it being agreed by the parties that the remedy at law, including monetary damages, for breach of any such provision will be inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived.

9.2 Amendments and Waivers. Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement will be effective against the Company or any holder of Registrable Securities, unless such modification, amendment or waiver is approved in writing by the Company and the Investors representing a majority of the Registrable Securities then outstanding. The failure of any party to enforce any of the provisions of this Agreement will in no way be construed as a waiver of such provisions and will not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

9.3 Successors and Assigns. All covenants and agreements in this Agreement by or on behalf of any of the parties hereto will bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

9.4 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile transmission or mailed by pre-paid registered or certified mail, return receipt requested or mailed by overnight courier prepaid to the parties at the following addresses or facsimile numbers:

If to the Company, to:

eSpeed, Inc.
One World Trade Center
103rd Floor
New York, NY 10023
Facsimile No.: (212) 262-1079
Attn.: Stephen M. Merkel

with a copy to:

Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, New York 10178
Facsimile No.: (212) 309-6273
Attn.: Christopher T. Jensen

If to any Investor, to:

The last address (or facsimile number) for such
Person set forth in the records of the Company.

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this Section 9.4, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided in this Section 9.4, be deemed given upon receipt of confirmation,
(iii) if delivered by mail in the manner described above to the address as provided in this Section 9.4, be deemed given on the earlier of the third full Business Day following the day of mailing or upon receipt, and (iv) if delivered by overnight courier to the address provided in this Section 9.4, be deemed given on the earlier of the first Business Day following the date sent by such overnight courier or upon receipt. Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto.

9.5 Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

9.6 Gender. Whenever the pronouns "he" or "his" are used herein they shall also be deemed to mean "she" or "hers" or "it" or "its" whenever applicable. Words in the singular shall be read and construed as though in the plural and words in the plural shall be construed as though in the singular in all cases where they would so apply.

9.7 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations

of any party hereto under this Agreement will not be materially and adversely affected thereby, (i) such provision will be fully severable, (ii) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (iii) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (iv) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

9.8 Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of New York; provided, however, that all provisions of this Agreement within the purview of the General Corporation Law of the State of Delaware shall be governed by such law.

9.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

9.10 Deferral. Notwithstanding the provisions of Articles I and II, the Company's obligations to file a Registration Statement, or cause such Registration Statement to become and remain effective, shall be suspended for a period not to exceed 90 consecutive days if there exists at the time material non-public information relating to the Company that, in the reasonable opinion of the Company's board of directors or counsel, should not be disclosed; provided further, that the Company may not invoke the foregoing provision more than two (2) times in any twelve (12) month period.

9.11 Additional Investors. Any transferee of Registrable Securities from an Initial Investor shall be entitled to the benefits of this Agreement upon execution by such transferee of a joinder agreement in form reasonably satisfactory to the Company stating that such transferee agrees to be bound by the terms hereof as an "Investor."

ARTICLE X
RULE 144 REPORTING

The Company hereby agrees as follows:

(a) The Company shall use its best efforts to make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act, at all times from and after 90 days following the effective date of the first Public Offering.

(b) The Company shall use its best efforts to file with the Commission in a timely manner all reports and other documents as the Commission may

prescribe under Section 13(a) or 15(d) of the Exchange Act at any time after the Company has become subject to such reporting requirements of the Exchange Act.

(c) The Company shall furnish to each holder of Registrable Securities forthwith upon request (i) a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time from and after 90 days following the effective date of the first Public Offering), and of the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), (ii) a copy of the most recent annual or quarterly report of the Company, and (iii) such other reports and documents so filed as a holder may reasonably request to avail itself of any rule or regulation of the Commission allowing a holder of Registrable Securities to sell any such securities without registration.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

COMPANY:

eSpeed, INC.

By:

Name:

Title:

INVESTORS:

CANTOR FITZGERALD SECURITIES

By:

Name:

Title:

[Other Cantor Entities]

[Signature Page to Registration Rights Agreement]