**CANTOR FUTURES EXCHANGE, L.P.**
**CHAPTER IX**
**CONTRACTS**

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## IX-3000. ATLANTIC NAMED STORM LANDFALL BINARY OPTIONS

### (a) Scope and Underlying

(i) These Contract Rules will govern the trading on the Cantor Futures Exchange, L.P. (the “Exchange”) of the ATLANTIC NAMED STORM LANDFALL BINARY OPTION CONTRACT (“ANSL Contract”). In general, the Contract is a binary option that will settle upon a Qualifying Atlantic Landfall and will pay $1.00 per contract to any long position holder within the Impacted Zip Code Area, and nothing to all other contract holders for that ANSL Contract.

(ii) Clearing of the ANSL Contract will be governed by the rules of the Cantor Clearinghouse, L.P. (the “Clearinghouse”). These Contract Rules are established pursuant to and constitute “Contract Rules” under Rule IX-4(e) of the Rules of the Exchange and constitute “Contract Rules” Under Rule IX-4(g) of the Rules of the Clearinghouse. Capitalized terms used, but not defined herein, have the meanings ascribed to them in the Rules of the Exchange or the Rules of the Clearinghouse, as applicable.

### (b) Determination of Qualifying Atlantic Landfall

(i) The Exchange is solely responsible for determining the occurrence and location of a Qualifying Atlantic Landfall (“QAL”) relying primarily on Public Advisories published on the website www.nhc.noaa.gov and issued by NOAA's National Hurricane Center (NHC). The Exchange makes no warranties with respect to the accuracy of the NHC’s advisory and in its discretion may use other public and private weather reporting sources to determine the location of a QAL when doing so is in the best interest of the marketplace. The Exchange shall document the information on which it declares a QAL.

(ii) Anytime an Atlantic named storm has made landfall, the Exchange will designate such landfall as a QAL provided that (A) the storm was named prior to the time of landfall and retains that name at the time of landfall; (B) the latitude and longitude of such landfall is listed on the “Landfall” column of Table 1; (C) the landfall is at least 12 hours after any previous QAL; (D) the landfall is not a revision or amendment to a prior landfall or inactive storm; and (E) the landfall occurs when there is an ANSL Contract listed for trading.

(iii) All QALs will be published on the Exchange website and include named storm, date and time of landfall, latitude and longitude of landfall.

(iv) For the avoidance of doubt, multiple landfalls by the same named storm may qualify as separate QALs; provided however, that each successive landfall more than 12 hours apart from the prior landfall of the same named storm will be for the next contract in the series. Certain landfall latitude and longitude points that qualify as QALs may lie in territories that are not part of the continental United States.

**(c) Determination of the Impacted Zip Code Area and Final Settlement**

(i) Immediately after a QAL has occurred the Exchange will determine the Impacted ZIP Code Area by looking up the latitude and longitude of the QAL in Table 1 and identify the corresponding Impacted ZIP Code Area.

(ii) Each open position that has a Strike Code within the Impacted ZIP Code Area will be Cash Settled at a value of one dollar; all other open positions will be settled at a value of zero dollars.

(iii) If no QAL has occurred by the close of Trading on the Last Trading Day, then all Strike Codes for that contract will be settled at a value of zero dollars.

(iv) Final Settlement of all open positions in each ANSL Contract will occur after each QAL not later than the end of the first Business Day following the QAL or if no QAL has occurred, the Last Trading Day. If a QAL occurs prior to the Last Trading Day, a new Contract in the series shall be listed as provided in Paragraph (e).

**(d) Ticker Symbols**

Each ANSL Contract will be identified as WXASLEDyyee where “yy” shall correspond to the two-digit year and “ee” shall be the ANSL Contract’s sequential order. That is, the first ANSL Contract for the 2016 season shall be listed as WXASLED1601, the second ANSL Contract for the season shall be listed as WXASLED1602, etc. Individual contracts within such a series may be listed simultaneously or sequentially at the discretion of the Exchange.

**(e) First Day of Trading, Termination of Trading**

(i) The First Trading Day for the initial ANSL Contract in each calendar year will be listed on the first Monday of January of that calendar year.

(ii) The First Trading Day for each subsequent ANSL Contract in the series will be listed either (A) by notice as posted on the Exchange website or (B) on the next Business Day after an QAL occurred, if the sequential contract has not already been listed. No new ANSL Contracts will be listed after November 30 of each calendar year.

(iii) The Termination of Trading for each ANSL Contract in the series will be (A) upon a QAL that corresponds with the ANSL Contract; or (B) November 30 of that calendar year unless there is an active Atlantic basin named storm on November 30, in which case the Last Trading Day will be the earlier of the last Business Day of the calendar year or the first date on which there is no active Atlantic basin named storm.

**(f) Trading Days and Trading Hours**

(i) Except as otherwise posted on the Exchange website, regular trading of ANSL Contracts will be Sunday 6:30 PM ET through Friday 4:00 PM ET. Except as noted in Rule IX-3000(f)(ii), no trading in these contracts shall occur between the hours of 4:00 PM ET and 6:30 PM ET on any Exchange Trading Day. Abbreviated holiday trading schedules may apply and will be posted on the Exchange website.

(ii) Notwithstanding Rule IX-3000(f)(i), the Exchange will provide for continuous trading, including Saturdays and Sundays, of ANSL Contracts whenever (A) any named storm is forecast to make landfall on the continental United States between Friday 4:00 PM ET and Sunday 6:30 PM ET; or (B) a Category 1 or Category 2 Hurricane is within 1,000 miles of the United States coastline or is expected to make United States Landfall within the next 7 calendar days; or (C) a Category 3 or stronger named storm is present in the Atlantic basin. The Exchange will post on its website when it is open for continuous trading. Any trades that occur after 4:00 PM ET on any calendar day will be reported with trades of the following Business Day.

**(g) Valid Strike Codes**

The valid Strike Codes for ANSL Contracts are all those listed as part of any Impact ZIP Code Area in Table 1. Revisions to Table 1 will be posted as necessary on the Exchange website.

**(h) Price Limits and Minimum Increment**

(i) There shall be no trading in ANSL Contracts at more than ninety-nine cents ($0.99) or less than one cent ($0.01).

(ii) The minimum trading increment of each ANSL Contract is one cent ($0.01).

**(i) Position Accountability Levels**

The position accountability level shall be 10,000 contracts net short or net long each ANSL Strike Code.

**(j) Original Margin Requirements**

Original Margin shall be 100% of the at-risk amount for all Participants of each ANSL Contract as required by the Clearinghouse.