

Cantor Futures Exchange, L.P.
Rule Amendment Submission 2018-2
February 20, 2018

1. The text of the rule changes to the Cantor Futures Exchange, L.P. Rulebook is attached. Additions are underlined and deletions are stricken through. These rule amendments have been approved by Cantor Futures Exchange, L.P. Capitalized terms, unless otherwise defined herein shall possess the meaning(s) ascribed in the Cantor Futures Exchange, L.P. Rulebook.
2. The proposed effective date is ten business days after receipt by the Commodity Futures Trading Commission of this submission.
3. Attached, please find a certification that: (1) these rules comply with the Commodity Exchange Act, and the Commission's regulations thereunder; and (2) concurrent with this submission, Cantor Futures Exchange, L.P. posted on its website: (i) a notice of pending certification of the rule submissions with the Commission; and (ii) a copy of this submission.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rules appear below.
5. There were no opposing views expressed regarding these amended rules.

CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE, AND
EFFECT OF THE CERTIFIED RULE AND ITS COMPLIANCE WITH APPLICABLE
PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION'S
REGULATIONS THEREUNDER

Pursuant to Commission Rule 40.6(a)(7)(vi), the following is a concise explanation and analysis of the operation, purpose, and effect of the amended rules.

Cantor Futures Exchange, L.P. (the "Exchange") is amending its Rulebook to include the defined term "Floor Trader Participant" in order to clarify that the Exchange will permit Participants who engage in trading activity in the traditional role of a floor trader to be classified as such. This is in accordance with the practice of other Designated Contract Markets that have amended their definitions of the term "floor trader" as a result of the elimination of open outcry trading floors, recognizing that there is still a role for floor traders in the context of providing liquidity on an electronic exchange.

The effect of this amendment will be that persons that are Floor Trader Participants on the Exchange will fall within the definition of "Eligible Contract Participants" under section 1a(18)(a)(x) of the Commodity Exchange Act, 7 U.S.C. §1 et seq. (the "Act"), for transactions that are in connection with their transactions on the Exchange. That section of the Act provides that Eligible Contract Participants include:

a floor broker or floor trader subject to regulation under this Act in connection with any transaction that takes place on or through the facilities of a registered

entity (other than an electronic trading facility with respect to a significant price discovery contract) or an exempt board of trade, or any affiliate thereof, on which such person regularly trades.

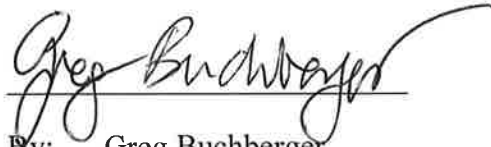
As a consequence of this amendment, Floor Traders will qualify as Eligible Contract Participants and will be able to enter into swap transactions in connection with their Exchange transactions. This will enable Floor Trader Participants to hedge or risk-manage their floor trading activities using transactions available in the over-the-counter, swaps market. But, it does not qualify them as Eligible Contract Participants with respect to any swap transactions that are not in connection with their Exchange trading.

The Exchange reviewed the Core Principles for Designated Contract Markets under section 5(d) of the Commodity Exchange Act. Core Principle 2 (Compliance with Rules), Core Principle 9 (Execution of Transactions), and Core Principle 12 (Protection of Markets and Market Participants) are potentially applicable to this Advisory. The Exchange has considered these Core Principles in the context of the amended rule and believes it is in accordance with these obligations.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE
ACT, 7 U.S.C. §7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6,
17 C.F.R. §40.6

I hereby certify that:

- (1) the amended Rules above comply with the Commodity Exchange Act, and the Commodity Futures Trading Commission's regulations thereunder; and
- (2) concurrent with this submission, Cantor Futures Exchange, L.P. posted on its website: (a) a notice of pending certification of the above Rules with the Commission; and (b) a copy of this submission.



By: Greg Buchberger
Title: CRO
Date: February 20, 2018

Attachment —Rule Amendment

(Additions are underlined, deletions are struck through)

I-1. Defined Terms

* * * * *

Floor Trader Participant

The term “Floor Trader Participant” means any Participant who (i) is registered as a floor trader under the CEA, or (ii) has a pending application for such registration.

III-3 Eligibility

(a) * * * * *

(b) Notwithstanding anything to the contrary in Rule III-3(a), the Exchange shall have the right to establish more than one class of Participants, which shall include Referring Participants as a separate class, in connection with the trading of particular Contracts, and which shall include Floor Traders as a separate class, in connection with the trading of all Contracts, subject to and in accordance with the applicable Exchange Rules.

(i) ___ All Rules that apply to Participants also apply to Referring Participants except where the context requires otherwise. All rules that refer to Referring Participants shall only apply to such Persons.

(ii) ___ All Rules that apply to Participants also apply to Floor Trader Participants. A Floor Trader Participant shall have the same obligations, responsibilities, and rights as a Participant.